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ABSTRACT

A report on the future needs for higher education in Nebraska and the role of higher education in the state's economy is presented, based on the work of the Citizens Commission for the Study of Higher Education. The analysis focuses on the University of Nebraska, the state colleges, the technical community colleges, and the private institutions. Recommendations are offered concerning: access, quality, efficiencies, the economy-quality of life, and governance. In addition to sketching the history of Nebraska's higher education, information is provided on: the roles and missions of the different sectors; the statewide distribution of degrees and formal awards; research activity, funding, and expenditures at the different institutions; public service activity, funding, and expenditures; enrollment distribution by level; first-time freshmen enrollment trends; enrollment trends in Nebraska and the United States; state fiscal capacity and performance; tuition and fee charges; institutional revenues and expenditures; state appropriations by sector; and distribution of expenditures. Included as appendices are a list of faculty reference groups and peer institutions for technical community colleges and the University of Nebraska. The final issue of the commission's newsletter "The Challenge" (NJ, June 13, 1985), providing a summary of implementation status for each of the 30 recommendations and the text of the commission's final statement, is appended. (SW)

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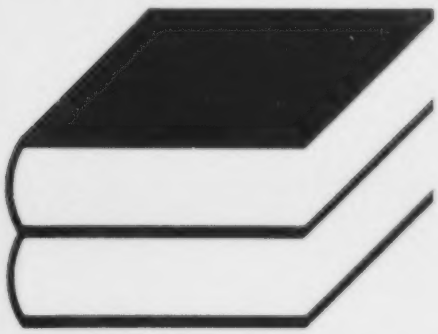
Toward the 21ST. Century

Report of the

Citizens Commission for the Study of Higher Education

in Nebraska

December, 1984



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December 17, 1984

The Honorable Robert Kerrey
Governor of Nebraska
State Capitol
Lincoln, NE 68509

Dear Governor Kerrey:

On July 9, 1984, you convened the Citizens Commission for Higher Education and charged it to provide an assessment of (1) Nebraskans' future needs for higher education, and (2) the future role of higher education in the state's economy.

We have the honor now to submit our report: Toward the Twenty-first Century. It was prepared under the direction of Dr. James C. Olson, President-Emeritus of the University of Missouri and former faculty member and administrator at the University of Nebraska. The report was the subject of intense discussion by members of the Commission in committees and in general sessions. As would be expected, Commission members held strong views, and there are some areas of disagreement, particularly with respect to the recommendations relating to Governance. The recommendations, however, have broad support, and even in those areas where complete consensus was not reached, those who could not support the recommendations represented a small minority.

As we studied Nebraska's system of postsecondary education, we came to the conclusion that it is a good system, and one in which Nebraskans can take pride. But it can be improved. Our recommendations for improvement are made out of concern for the state, its economy in a rapidly changing world, the future of its postsecondary institutions, and above all, the young people who represent Nebraska's most important resource.

We thank you for the privilege of participating in this significant activity, and we look forward to continued participation in the discussion of issues which our report will raise. As individuals, we stand ready to help you implement the recommendations you decide to accept.

Sincerely,

Willis A. Strauss
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FOREWORD

Few subjects are of greater concern to Americans than education. That concern has expressed itself in a number of studies dealing with various levels of education from kindergarten to graduate and professional schools. In Nebraska, the Governor's Task Force on Excellence in Education studied secondary education in the state and reported its findings and recommendations September 30, 1983. The present study conducted by the Citizens Commission for the Study of Higher Education includes in its purview the University of Nebraska, the state colleges, the technical community colleges, and the independent colleges and universities. Mention also is made of the private vocational schools, but the lack of comparative data prevented any analysis of that sector.

The Commission was charged to provide an assessment of: (a) Nebraskans' future needs for higher education, and (b) the future role of higher education in the state's economy.

Although the Commission obviously was looking to the future, no specific time parameters were established; by common consent "the future" with which we were dealing came to be the years between the present and the beginning of the Twenty-first Century. As the Commission got into its work, it became clear that the principal concerns of its members could be dealt with under these headings: Access, Quality, Efficiencies, The Economy-Quality of Life, and Governance. The recommendations are so organized. The Commission was concerned from the beginning with securing an accurate assessment of the environment in which higher education would be operating. Because of the constraints of time and staff, the Commission relied heavily on work done by other groups and individuals, although it did contract for specific studies of demographic and economic trends. These are listed in the Appendices.

The Commission held six meetings: July 9, Lincoln; August 16, North Platte; September 12, Norfolk; October 23, Omaha; November 14, Lincoln; and November 28, Lincoln. In addition, Commission members participated in a day-long conference on higher education in Kearney, sponsored by the Governor, and various committees held meetings at times other than the Commission meetings. At all of the meetings except the last two, opportunity was provided for public comment. A formal public hearing was held on November 13 in Lincoln.

The study was funded and, indeed, made possible by generous financial support provided by the following foundations: the Peter Kiewit Foundation of Omaha; the Cooper Foundation of Lincoln; the Woods Charitable Fund of Lincoln and Chicago; the Edgar Reynolds Foundation of Grand Island; and the Phelps County Community Foundation of Holdrege.

As Director of the Study, I had the privilege of visiting almost all postsecondary institutions in Nebraska, public and private, and talking with their chief executives. I also visited with a substantial number of board members and others

concerned with postsecondary education in Nebraska. I was everywhere cordially received, and was impressed with the ability and dedication brought to their tasks by presidents, chancellors, and board members. The Nebraska Coordinating Commission for Postsecondary Education through its director, Dr. William Fuller, and the liaison persons from the four principal higher education sectors — Dr. Hans Brisch, University of Nebraska (as well as Harry Allen, University of Nebraska-Lincoln); Dr. Richard Bringelson, state colleges; Thomas Johnston, technical community colleges; and Jon Oberg, independent institutions — were particularly helpful.

This report, and particularly the recommendations section, was produced by a process which can be best described as decision making by consensus. It is a good process and I am grateful to the members of the Commission who gave freely of their time, and who participated vigorously and effectively in the discussions leading to consensus. Those discussions were facilitated by the diligent work of the various committees: Goals and Philosophy (Paula Wells, Chair), Instruction (Carol Maddux, Chair), Research and Service (Elaine Carpenter, Chair), Finance (Robert Shively, Chair), and Governance and Coordination (Sheila Griffin, Chair).

From the outset, Governor Kerrey has had a great interest in this study; he also has a keen appreciation of the importance of education to the future of the state. My first discussions of this project were with Jack Thompson, and he, more than any other person, was instrumental in bringing it all about. As President of the Cooper Foundation and as Secretary-Treasurer of the Commission, he greatly facilitated my work and that of the staff. We were particularly fortunate in having Willis Strauss as President of the Commission. His experience and his great leadership ability were critical to the success of the discussions that led to consensus. David Buntain was effective as Vice President of the Commission, and was particularly helpful in connection with a number of legal questions related to its work.

I am especially grateful to Governor Kerrey for lending Andrew Cunningham, of the Policy Research Office, to the Commission to serve as assistant director. In addition to admirably fulfilling his administrative responsibilities, he participated meaningfully in the development of the report itself. It is particularly fortunate that we were able to retain Connie Stauss as a consultant throughout the preparation of the report. She initially did the demographic studies, and is responsible for the Present System section of the report. Bette Johnson, in addition to typing and retyping various drafts, managed the office with skill, calmness and charm. Grant Ossenkop was very helpful as a student intern. My secretary, Marilyn Cannaday, was so heavily involved in the project that I am sure that on some days she must have felt as though she were a Nebraskan.

To all of these I express my thanks. I hope the report and its recommendations will make contribution to the improvement of an already good system of postsecondary education.

JAMES C. OLSON

Kansas City, Missouri
December 5, 1984

EXECUTIVE SUMMARY

Nebraskans have always valued higher education. They have provided access to a two-year or four-year postsecondary institution for 95% of the state's population, and they have a college-going rate that is much higher than the national average.

Nebraska's system of postsecondary education is composed of five separate and distinct entities: (1) the University of Nebraska, (2) the state colleges, (3) the technical community colleges, (4) the independent colleges and universities, and (5) the private vocational schools. They developed largely as the result of individual, community, or group initiative rather than as the result of a state plan, and there is relatively little coordination among the various sectors. The Nebraska Coordinating Commission for Postsecondary Education, despite its name, is little more than a study group. Such coordination as does exist is provided directly by the Legislature through a Role and Mission statement and by means of the budgetary process.

The Legislature's principal objective in the Role and Missions statement is to provide for a coordinated state system of public postsecondary education which will insure broad access to comprehensive educational programs and quality services. The Citizens Commission for the Study of Higher Education developed a set of goals for Nebraska's higher education which are consonant with those set forth by the Legislature. In the Commission's view, the primary goal of postsecondary education in Nebraska is to provide educational opportunities for the people of this state consistent with their abilities, interests, and needs, and relevant to an ever-changing economy. Inherent in this goal is the development of an informed and productive citizenry able to adjust and adapt to change. To this end, our postsecondary institutions must work together to promote excellence without extravagance. Supporting this are the following goals:

1. To provide, as part of general instruction and learning, a strong emphasis on a high quality liberal arts education.
2. To assure, at all levels, the highest possible quality of education.
3. To assure that high quality vocational training is broadly accessible and reflects local and/or regional economic needs.
4. To place new emphasis on research which contributes to the development and diversification of Nebraska's economy in this era of technological change while continuing to maintain high quality programs of both basic and applied research.
5. To maintain, through outreach and extension, a system of technology transfer and a program for improvement in the quality of life.
6. To further develop the state's postsecondary institutions as cultural centers for all citizens.
7. To utilize to the fullest the state's comprehensive system of educational telecommunications.
8. To establish a network of communication, coordination, and cooperation among the various postsecondary institutions so as to permit greater effectiveness of programs and better utilization of resources.
9. To provide increased educational and employment opportunities for minorities and women.

The Commission found that in realizing its goals for postsecondary education in the years between now and the beginning of the Twenty-first Century, Nebraskans will have to work within two serious constraints, one demographic and one financial. The demographic constraint can be summarized in the statement that the primary college-age group is declining in numbers and will continue to decline throughout the rest of the Twentieth Century. The financial constraint may be summarized in the statement that unless Nebraska substantially increases the public investment in postsecondary education, planning for the future should proceed on the assumption that, for general purposes, postsecondary education will receive little more than the present level of state support.

Thus, the challenge facing Nebraskans is to find ways to realize their goals for postsecondary education under conditions of slow economic growth, declining enrollments, and static or possibly declining revenues from tuition and/or state support. The challenge is a difficult one, but with effort, dedication, and cooperation it can be met. The recommendations which follow are designed to help Nebraskans meet the challenge.

ACCESS

1. The University of Nebraska, the state colleges, and the technical community colleges should be encouraged to continue and expand their cooperative efforts to extend geographic access to postsecondary education as widely as possible. Cooperative efforts with independent and proprietary institutions also should be pursued.

2. There should be a concerted and accelerated effort to expand the utilization of the Nebraska Educational Telecommunications Network to extend access to postsecondary education throughout Nebraska.

3. The Legislature should appropriate funds to enable all institutions in Nebraska, independent as well as public, to meet the matching requirements of the federal State Student Incentive Grant (SSIG) program. The State Scholarship Program, as provided for in LB 743, adopted in 1978, and amended by LB 981 in 1984, should be funded at an

appropriate level, but not at the expense of current programs. The maximum award should be set at a level that does not affect the current distribution of students between the public and private sectors.

QUALITY

4. Prior to the submission of its budget request for fiscal year 86-87, each postsecondary institution should be required to file a five-year strategic plan which will include but not be limited to: (a) an objective assessment (including outside reviews) of the quality of the institution's efforts to fulfill its mission as set forth in the Role and Mission statement of 1978, as amended; (b) a plan for improving the quality of institutional performance; and (c) a plan for the development of specific areas of excellence. The plan should clearly describe necessary actions to be taken and tests of effectiveness.

5. The Legislature each year should return to the institutions all unexpended balances with the provision that they be used to further develop institutional quality, as described in the strategic plans, with specific reference to the established areas of excellence.

6. As a start toward essential improvement in faculty compensation, the Legislature should establish a challenge fund which would enable institutions to bring their salaries to the average of those paid by their peer institutions, with the understanding that the state contribution to the fund will be matched by the institution. By way of example, for every two dollars the state contributes, the institution will contribute one dollar through funds realized from reallocation and/or from non-state sources.

7. Institutions should develop, publicize and implement rigorous standards of faculty performance, consistent with the mission of the institution, for retention, promotion, and salary adjustments.

8. All of Nebraska's postsecondary institutions should develop specific competency expectations for enrolling students, and should give them wide publicity, so as to guide preparation at the secondary level. In particular, the University of Nebraska should implement and publicize the admissions standards adopted by the Board of Regents, scheduled to go into effect in 1986, and work with the elementary and secondary schools to improve the qualifications of entering students.

9. There should be a liberal arts and sciences component of all postsecondary curricula, including those of the technical community colleges. For professions which require the baccalaureate degree, the liberal arts component of the program ideally should occupy at least two full academic years.

10. Institutions should take every step to assure that freshmen and sophomores, particularly, receive instruction of the highest quality.

11. The University of Nebraska and the state colleges should revise their teacher-training programs to provide more rigorous admission standards and more adequate preparation in subject-matter fields of study; they should seek ways in which they can help teachers develop professionally during their careers. Teacher training programs should be targeted for development as centers of excellence.

EFFICIENCIES

12. The Legislature should provide a mechanism for implementing the recommendations growing out of the program reviews, consolidating the state's educational data bases, and effecting other measures designed to provide effective coordination among sectors (including transfer of credits), to improve institutional efficiencies and to enhance state-wide policy coordination. (See Recommendation No. 28.)

13. The presidents of Creighton University and the University of Nebraska should immediately initiate conversations, looking to the closest possible cooperation in the delivery of education for the health professions, and in providing the health care associated with such activity, of a broadly representative task force to deal with obstacles to cooperation.

14. Wherever possible, Nebraska's educational institutions should seek to cooperate with those of other states in the region, particularly in offering high-cost graduate and professional programs.

15. The strategic plans for increasing the quality of higher education should be developed with particular attention to the fact that they must be implemented under conditions of first, stable or declining enrollments and second, state support in which increases will come chiefly for new programs that commend themselves and also as priorities may result from shifting educational dollars.

16. (a) The Nebraska Coordinating Commission for Postsecondary Education should pursue its current study of tuition policy to the point of recommending more specific guidelines for the development of a state policy.

(b) In general, the Legislature should continue to encourage public postsecondary institutions to seek non-state revenues wherever possible.

17. On an experimental basis, students of high ability from other states should be permitted to enroll in Nebraska's public postsecondary institutions without paying out-of-state tuition.

18. To assist in providing for faculty renewal and institutional flexibility in a time of declining or changing enrollments, institutions should develop additional plans to encourage voluntary early retirement of senior faculty members.

19. Postsecondary educational institutions should seek to make appropriate use of retired persons wherever possible, consistent with the maintenance of essentially full-time faculties of high quality.

20. In the area of physical facilities, emphasis should be placed upon the maintenance, repair, and rehabilitation of existing structures rather than on the construction of new facilities, except that new construction should be supported where there is need for a specialized facility, fully justified within the role and mission of the institution.

THE ECONOMY - QUALITY OF LIFE

21. To support research and innovation, the Legislature should authorize the creation of a Research and Development Corporation, governed by a board composed of representatives of postsecondary education, business, industry and government, to perform the following functions:

(a) Long-range, strategic planning for research and development, with special attention to future-oriented activity.

(b) The development of mechanisms for integrating the state's research efforts and economic development.

(c) The promotion of an awareness of the importance of research and its relationship to the state's economic development.

22. (a) In the development of centers of excellence at the University of Nebraska (see No. 4), particular attention should be given to those areas in which important research activities already are underway, such as agriculture, medicine, chemistry, engineering, and the life sciences.

(b) Every effort should be made to provide an environment conducive to the attraction and maintenance of a quality staff, including adequate compensation, the recognition of research in the establishment of work loads, and the provision of superior library and laboratory facilities, plus individual research support. This environment should be provided for faculty in the arts and humanities as well as the sciences.

(c) The University of Nebraska should review its research programs to assure that they are being kept responsive to the diverse needs of the state.

(d) The University of Nebraska should review its patent and consulting policies to assure that they provide appropriate incentives for faculty members to conduct research and participate in economic development activities.

23. The state should establish and fund a Center for Educational Technology at the University of Nebraska to do research in educational technology, and encourage the development of businesses which produce and market educational materials which utilize advanced communications technology.

24. The state should mobilize and seek to increase the funds available for job-related training, with specific emphasis on making funds available to the technical community colleges to enable them to provide customized job training for specific industries.

25. The role and mission of Extension at the University of Nebraska should be reviewed to assure that the benefits of Extension are being made available to business, industry, and community and cultural life as well as to agriculture.

26. The University of Nebraska, the state colleges, and the State Department of Education should work together to increase both the quality and quantity of elementary and secondary school teachers of mathematics and science. (See also No. 11.)

27. Postsecondary institutions should cooperate wherever possible with off-campus cultural organizations, and should seek to support their own museums, galleries and cultural programs as part of the regular, on-going activities of the institutions. In particular, the Nebraska State Museum (Morrill Hall) at the University of Nebraska-Lincoln should be provided with immediate and substantial increases in support.

GOVERNANCE

28. The four state colleges should be transferred to the Board of Regents of the University of Nebraska.

29. The Board of Regents of the University of Nebraska should be composed of nine persons (three from each congressional district) appointed by the Governor, with the advice and consent of the Legislature, for terms of six years, provided that the terms are staggered so that three expire every two years. In addition to the foregoing, the Governor should appoint annually, for one-year terms, three students, not more than one from any campus of the University.

30. (a) The Regents should seek wherever possible to reduce and/or eliminate unnecessary duplication in program offerings, and in all of the operations of the University of Nebraska seek to take full advantage of the fact that all campuses and units are part of a single institution, recognizing that diversity is an important part of a statewide institution. (UNO for example has a specific urban mission.)

(b) The Regents should take particular pains to assure that the University of Nebraska has the most efficient possible administrative and business management, maximizing the advantages of a large institution wherever possible, including particularly such areas as purchasing, cash management, and computing.

(c) The role of the University of Nebraska-Lincoln as the major comprehensive campus of the system — with unique responsibilities for research, advanced professional and graduate education, and extension — should be maintained and strengthened.

HISTORICAL SKETCH

Nebraskans have long believed in the importance of higher education. Within two years after the territory was opened for settlement in 1854, the Legislature had chartered seven colleges and universities; altogether, territorial legislatures chartered 23 institutions of higher learning. Part of this activity resulted from the interests of local promoters — then as now it was good for a community to have a college — but much of it can be attributed to a genuine interest in higher education, particularly on the part of church groups which were very active in founding colleges and seminaries. These territorial colleges were short-lived, and the only one in existence today in any form is Peru State College, organized by the Methodists in 1866 as Mount Vernon Seminary.

The University of Nebraska was chartered in 1869 and began operations in 1871. Organized as a land-grant institution under the Morrill Act of 1862, the University was provided for in the legislation of 1867 which designated Lincoln as the state capital. The Legislature decided that the agricultural college would be combined with the University rather than established as a separate institution. In retrospect, this stands out as one of the most far-reaching educational decisions ever made by a Nebraska legislature. Had Nebraska followed the example of other plains states and created a separate College of Agriculture, there would have been two major institutions competing for the state's resources, and it is doubtful that the University would have developed as it has.

The University suffered many vicissitudes during its early years and was the subject of much controversy, but through it all the institution continued to develop both the teaching and research aspects of its mission as understood by the faculty. By the turn of the century it was recognized as one of the leading institutions in the West. The University of Nebraska was the first institution west of the Mississippi River to inaugurate graduate instruction, and in 1906, it was admitted to the Association of American Universities. This prestigious organization of the nation's principal research universities, both public and private, has only 55 members, including two in Canada. Although it became a comprehensive institution, the University remained relatively small until the 1960's when it began to experience unprecedented growth. The University of Omaha became part of the University of Nebraska in 1968.

As the state's land-grant institution, the University of Nebraska has been an integral part of the federal network of agricultural instruction, research, and extension. The College of Agriculture was the second college established in the University — preceded only by Arts and Sciences — and in 1974, the significance of agriculture was further recognized with the creation of the Institute of Agriculture and Natural Resources at the University of Nebraska-Lincoln. The six colleges provided for in the initial legislation have become 23 colleges, eight schools, and numerous divisions and institutes.

The state college system grew out of the need for teachers to staff the public schools. In 1867, the state acquired Mount Vernon Seminary as a gift from the Methodist Church and established it as the Nebraska State Normal School. Until 1905, Peru remained the only state normal school. Kearney State Normal School was established in 1905, to be followed by Wayne in 1910 and Chadron in 1911. In 1921, the normal schools became four-year institutions offering baccalaureate degrees in education; in 1949 they were authorized to offer the Bachelor of Arts degree; and in 1956, to offer the M.A. and M.S. in Education. In 1984 Chadron, Kearney, and Wayne were authorized to offer the Master of Business Administration (MBA). The names of the institutions, reflecting altered and somewhat expanded missions, changed from normal schools to state teachers colleges, and then to state colleges, the last designation coming in 1963.

The technical community colleges have their origin in the public junior colleges established in the 1920s and later: McCook and Scottsbluff in 1926, Norfolk in 1928, Fairbury in 1941, North Platte in 1965, and Columbus in 1969. A state vocational/technical college was established in 1941 on the site of an available armed forces facility at Milford, and a second vocational/technical college was established at Sidney in 1965. The junior colleges were locally funded and controlled. The vocational/technical colleges were state funded and were operated by the State Department of Education. In 1965, a system of area vocational/technical schools was established, and state-aid appropriations were authorized. Institutions were established under this legislation at Grand Island, North Platte, Norfolk, Omaha, and Lincoln.

In 1971, the Legislature combined the junior colleges, state vocational/technical schools, and the area technical colleges into one system, consisting of six technical community college areas: Western (Nebraska Western College; Western Nebraska Technical Community College), Mid-Plains (Vocational-Technical Campus and McDonald-Belton Campus, Mid-Plains Community College; McCook Community College), Central (Grand Island Campus, Hastings Campus and Platte Campus, Central Community College), Northeast (Northeast Technical Community College), Southeast (Beatrice Campus, Fairbury Campus, Lincoln Campus, and Milford Campus, Southeast Community College), and Metropolitan (Elkhorn Valley Campus, Fort Omaha Campus, and South Omaha Campus, Metropolitan Technical Community College). They are supported by a combination of state appropriations and local property tax levies. Each area college is governed by a local board, elected

by district from the area; originally there was also a state governing board, but this was declared unconstitutional by the State Supreme Court in 1974 on the grounds that property taxes cannot be levied for state purposes. The area technical community colleges, thus, are completely under local control.

Nebraska has 16 independent colleges and universities, including Nebraska Indian Community College, a two-year institution operated by Indian tribes in Winnebago. With the exception of this and Bellevue College, all are governed by religious bodies or have strong religious associations. Indeed, many of them trace their origins to the efforts of churches in territorial and early statehood times to found colleges and seminaries. Several of today's institutions are the result of numerous consolidations. Creighton University in Omaha, a comprehensive university with an array of professional schools, is by far the largest, with an enrollment of more than 6,000. The second largest independent institution is Bellevue College, with an enrollment of nearly 3,000. Others with enrollments of more than 1,000 students are the College of St. Mary, Nebraska Wesleyan University, and Union College. Concordia, Dana, Doane, Hastings, and Midland Lutheran College range in size from 500 to 1,000 students. The others — Bishop Clarkson College of Nursing, Grace College of the Bible, Nebraska Christian College, Platte Valley Bible College, and York College — have fewer than 500 students each. York College, the largest of this group, was formerly a four-year institution, but it is now a two-year college. Bishop Clarkson College of Nursing is Nebraska's newest four-year institution.

Private vocational schools in Nebraska go back to the Nineteenth Century. Today there are 72 schools, providing instruction and training in skills ranging from hairdressing to computer programming and from auto mechanics to veterinary technology. Some provide a full two years of instruction toward the Associate of Applied Science degree. By state law all proprietary schools must be licensed and must maintain state accreditation for continued operation. This sector of postsecondary education has been under the regulatory authority of the State Board of Education since 1945.

Nebraska's system of postsecondary education (Figure 1) thus developed with little or no coordination. Legislative attempts to provide statewide control of the technical community colleges were declared unconstitutional. The Nebraska Coordinating Commission for Postsecondary Education was established initially to serve as the state's "1202 commission," required for federal planning funds. It has virtually no coordinating authority. The Legislature has been the principal coordinating authority, and, as will be seen, it exercises that authority through the Role and Mission statement enacted in 1978.

Looking back, one can only conclude that Nebraska has been well served by its system of postsecondary education, a system which developed largely as the result of individual, community or group initiative rather than as the result of a state plan. Looking ahead, one must ask whether that system is equal to the demands of the Twenty-first Century.

BEATRICE
Southeast Community College — Beatrice Campus

BELLEVUE
Bellevue College

BLAIR
Dana College

CHADRON
Chadron State College

COLUMBUS
Central Community College — Platte Campus

CRETE
Doane College

CURTIS
University of Nebraska School of Technical Agriculture

ELKHORN
Metropolitan Technical Community College — Elkhorn Valley Campus

FAIRBURY
Southeast Community College — Fairbury Campus

FREMONT
Midland Lutheran College

GRAND ISLAND
Central Community College — Grand Island Campus

HASTINGS
Hastings College
Central Community College — Hastings Campus

KEARNEY
Kearney State College

LINCOLN
University of Nebraska-Lincoln
Southeast Community College — Lincoln Campus
Union College
Nebraska Wesleyan University

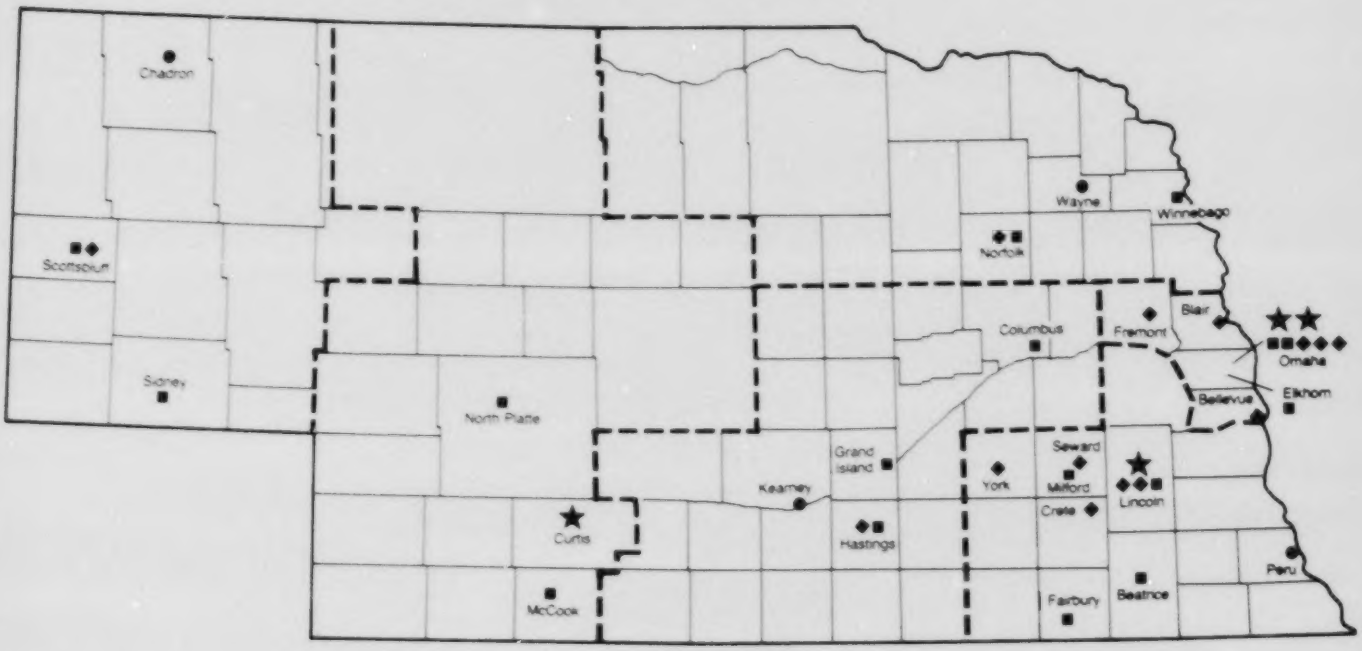
McCOOK
McCook Community College

MILFORD
Southeast Community College — Milford Campus

NORFOLK
Nebraska Christian College
Northeast Technical Community College

NORTH PLATTE
Mid-Plains Community College
— Vocational-Technical Campus
— McDonald-Belton Campus

Figure 1 **Nebraska Institutions of Higher Education**



OMAHA
University of Nebraska Medical Center
University of Nebraska at Omaha
Bishop Clarkson College of Nursing
College of St. Mary
Creighton University
Grace College of the Bible
Metropolitan Technical Community College —
South Omaha Campus
Fort Omaha Campus

PERU
Peru State College

SCOTTSBLUFF
Platte Valley Bible College
Nebraska Western College

SEWARD
Concordia College

SIDNEY
Western Nebraska Technical College

WAYNE
Wayne State College

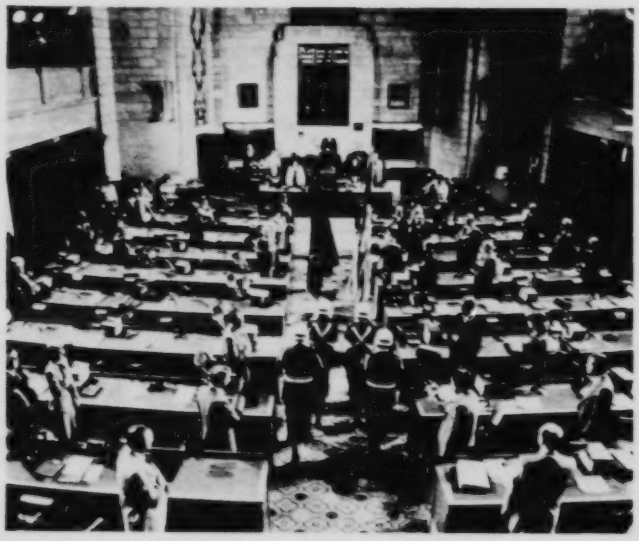
WINNEBAGO
Nebraska Indian Community College
(Federally funded)

YORK
York College

NOTE: Private Vocational Schools Not Listed

★ University of Nebraska
● State Colleges
■ Technical Community Colleges
◆ Independent Colleges / Universities
— — Boundaries of the Six Technical Community College Areas

COMPLIANCE WITH ROLE AND MISSION



In 1978 the Legislature adopted a Role and Mission statement to direct the offering of educational programs and degrees by sector and institutions within sectors. The Legislature prohibits the expenditure of general fund appropriations in support of programs or activities which are in conflict with role and mission assignments for the University of Nebraska, state colleges, and technical community colleges. The act (Sec. 85-917 through 85-967, R.R.S.1943) is intended to reflect the philosophy of the state of Nebraska and functions as a statement of goals and objectives for public institutions of higher education in Nebraska. In 1979 the Legislative Performance Review and Audit Committee established the procedure for review, revision, evaluation and monitoring of the statutory role and mission assignments provided in the act. Oral reports which evaluated compliance with the act have been inconclusive although raising questions regarding duplication. No published reports are available.

The Role and Mission statement is an instrument of fiscal control for the Legislature with the expressed intent to coordinate, maintain quality, insure access, limit duplication, encourage long-term fiscal planning, establish legislative review, and provide a mechanism of change for the Nebraska system of postsecondary education. The Role and Mission statement cannot exert fiscal control over the private sector, direct the coordinating function of the Nebraska Coordinating Commission for Postsecondary Education, or absolutely prevent the incremental departure from assignments at the institutional level. In short, the Role and Mission statement is necessary for the guidance of legislative appropriations, but alone is not sufficient to accomplish the intended purposes for the coordination and planning of Nebraska's system of higher education in both the public and private sectors. The following briefly summarizes the assignment of role and mission for each sector in the public sphere.

University of Nebraska

The priorities assigned to the University of Nebraska include (1) undergraduate instruction, (2) graduate and professional instruction and research, and (3) public service.

The University has state-wide responsibility for public service and continuing education at the baccalaureate level and above. It has sole responsibility for doctoral, first-professional, cooperative agricultural extension, all graduate programs at the specialist and master's level, as well as baccalaureate professional programs with exceptions for education and other areas authorized for state colleges. In addition the University has sole responsibility for degrees in the health professions with the exception of the baccalaureate nursing program at Kearney and certain existing and cooperative allied health programs.

The University has primary responsibility for agricultural and natural resource instruction, research and public service. Limited responsibility is assigned to the University for associate degrees and certificates in agricultural related fields, nursing, radiologic technology, radiation therapy, nuclear medicine, and engineering technology.

Role and mission assignments for the various units determine priorities within the University. The University of Nebraska-Lincoln (UN-L) is the primary campus for all nonhealth-related doctoral and postdoctoral programs; the University of Nebraska at Omaha (UNO) is the primary campus for urban oriented programs; and, the University of Nebraska Medical Center (UNMC) is the primary campus for health programs.

State Colleges

The priorities assigned to the state colleges apply primarily to instruction. The first priority is the general academic, occupational, and education professional baccalaureate degrees. The second priority is the master's degree in education and certain other areas. Applied research and public service activities represent the third priority, followed by the specialist degree in education.

State colleges have regional responsibility for applied research related to instruction, public service, continuing education, and graduate business courses which are offered in consultation with, but nonetheless independent of, the University. Kearney, Chadron, Peru, and Wayne State Colleges have a common authorization for maintaining existing general academic, occupational, and professional baccalaureate degree programs limited to their own region. Having received specific authority from the Legislature in

1984, the Board of Trustees has approved the master's degree in business administration (MBA) for Kearney, Chadron, and Wayne. Peru is authorized to offer the master's degree in education only in cooperation with the University.

Technical Community Colleges

The technical community colleges have as their first priority vocational technical programs and nondegree occupational education. The second priority is general academic transfer degree programs and the third priority includes avocational and recreational courses.

Technical community colleges have sole responsibility for associate degrees and certificates with the exception of specified areas. Each of the six area-wide colleges has responsibility for public service within its geographical boundary. Academic transfer programs are limited to designated campuses in each geographical area although academic coursework may be provided as necessary support at other campuses.

INSTRUCTION: DEGREES & FORMAL AWARDS

Degrees & Formal Awards, State-wide Distribution

The Nebraska Coordinating Commission for Postsecondary Education provides a profile of educational programming from data collected by the national Higher Education General Information Survey (HEGIS) in the annual report, *State of Nebraska Degrees and Other Formal Awards Conferred by Nebraska Institutions of Postsecondary Education.* Degree and formal award data are reported for the period July 1 - June 30, which corresponds to the state fiscal year.

Baccalaureate degrees awarded statewide represented 54% of all degrees and other formal awards conferred by Nebraska institutions of higher education in 1982-83. Associate degrees and other minor degrees constituted the next largest group at 28%, followed by masters' degrees at 11%, first-professional degrees at 5%, and doctoral degrees at 2%. Total degrees were 15,166 in 1982-83 which showed an increase of 10% since 1978-79.

Figure 2 shows the distribution of degrees and formal awards by sector. In 1982-83 the University awarded 43% of all degrees and formal awards. Technical community colleges followed with 24% and independent colleges with a proportion of 20%. State colleges conferred 13% of the total.

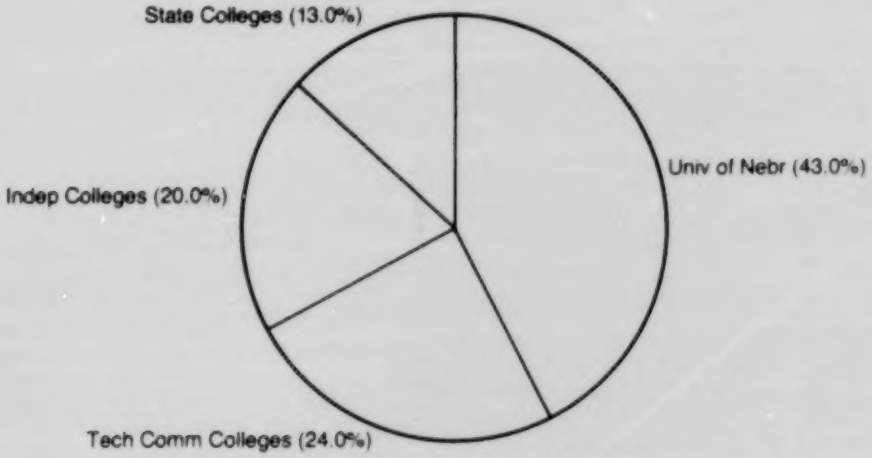
Major Degrees

Nebraska's public and private universities and colleges awarded 8,083 baccalaureate degrees in 1982-83 which represented 75% of all major degrees and an increase of 9% since 1979. Figure 3 shows the distribution by level. Business and management was the largest subject area at 22% and the fastest growing group. It has increased 26% since 1978-79. Degrees in education had the next greatest share at 20% although the number of degrees conferred since 1978-79 has declined 8%.

FIGURE 2

Distribution of Awards

by Sector, 1982-83

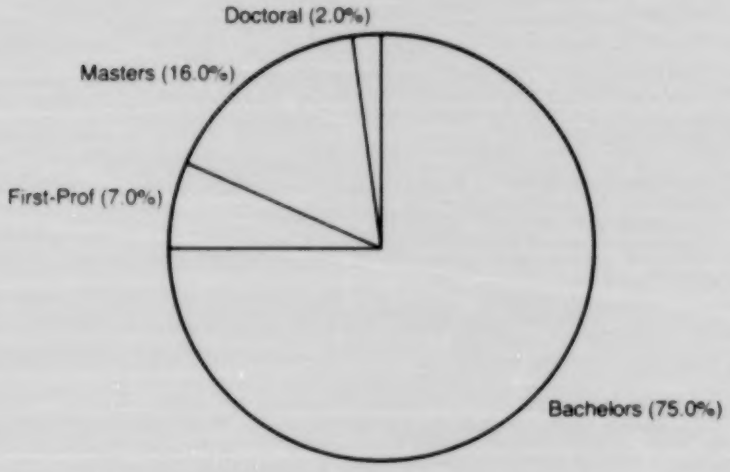


SOURCE: Nebraska Coordinating Commission for Postsecondary Education, *State of Nebraska Degrees and Other Formal Awards Conferred by Nebraska Institutions of Postsecondary Education 1978-79 Through 1982-83*, December, 1983.

FIGURE 3

Distribution of Major Degrees

by Level, all sectors, 1982-83



SOURCE: Nebraska Coordinating Commission for Postsecondary Education, *State of Nebraska Degrees and Other Formal Awards Conferred by Nebraska Institutions of Postsecondary Education 1978-79 Through 1982-83*, December 1983.

The 1,671 masters' degrees awarded in 1982-83 represented 16% of the total major degrees conferred and a decrease of 3% since 1978-79. Masters' degrees in education represented the largest subject area at 46% and a decline of 8% since 1979.

The 220 doctoral degrees awarded in 1982-83 represented 2% of all major degrees and a 10% increase since 1978-79. Doctoral degrees in education were 30% of the total and remained relatively stable over the period 1979-83.

The 770 first-professional degrees represented 7% of all major degrees conferred in 1982-83 and a decline of 5% since 1978-79. First-professional degrees in law represented the largest subject area followed by medicine and dentistry, all of which have remained relatively stable or declined slightly over the years 1979-83.

Minor Degrees

The six technical community colleges awarded 2,149 associate degrees in 1982-83. These represented 58% of all degrees awarded by the technical community colleges and an increase of 32% since 1978-79. The subject area of engineering and engineering technology had the most associate degrees followed by mechanics and repairers, and liberal and general studies, which altogether constituted 50% of the total for technical community colleges. In 1982, 31 different associate degrees were awarded.

All other awards which exclude associate degrees totaled 1,539 in 1982-83. These represented 42% of all degrees conferred by technical community colleges and an increase of 17% since 1978-79. Certificates in allied health were the largest group at 45%.

The universities and four-year colleges in Nebraska awarded 665 associate degrees in 1982-83 and 69 awards under four years which excluded associate degrees. The two largest subject areas for associate degrees were in health sciences and liberal and general studies.

Degrees and Formal Awards, University of Nebraska

In 1982-83, 6% of all degrees awarded at the University were below the bachelor's level, 66% of all degrees were at the bachelor's level, 19% at the master's level, 3% at the doctoral level, and 4% at the first-professional level. Degrees below the baccalaureate level, bachelors' degrees, and doctoral degrees increased 15%, 5%, and 10% respectively, while masters' degrees and first-professional degrees declined 8% and 16% respectively.

Nineteen percent of all degrees awarded at the University were in the subject area of education, the largest field in 1982-83. Degrees in education represented 17% of all University baccalaureate degrees and 31% of all doctoral degrees. The second-largest subject area was business and management which represented 15% of all degrees. Degrees in business represented 20% of baccalaureate degrees, 12% of all masters' degrees, and 4% of doctoral degrees. Law and medicine degrees comprised nearly equal shares which together represented 69% of all first-professional degrees. Awards of less than four years were in the fields of health sciences and agricultural science.

Degrees and Formal Awards, State Colleges

In 1982-83, 1% of all degrees at the state colleges were awarded below the baccalaureate level, 85% at the baccalaureate level, and 14% at the master's level. The conferral of baccalaureate degrees increased at 18% over the period 1979-83; masters' degrees increased 8%. Degrees below the bachelor's decreased by 95%.

State colleges, like the University of Nebraska, awarded more degrees in education and business than any other subject area in 1982-83. Education accounted for 41% of total state college degrees, 32% of baccalaureate degrees and 94% of masters' degrees. Business degrees accounted for 31% of all state college degrees, 36% of baccalaureate degrees, and 1% of doctoral degrees. A significant change has occurred since 1978-79 when only 20% of the baccalaureate degrees were conferred in business. The state colleges awarded six degrees below the baccalaureate level in 1982-83.

Degrees and Formal Awards, Independent Colleges

In 1982-83, 11% of all degrees at the independent colleges were awarded below the baccalaureate level, 71% at the baccalaureate level, 6% at the master's level, and 12% at the first-professional level. Degrees below the baccalaureate level increased 28% during the period 1979-83, baccalaureate degrees increased 10%, masters' degrees increased 23%, and first-professional degrees increased 2%.

The largest subject areas for the independent colleges were health, and business and management. Health accounted for 20% of all independent college degrees, 14% of baccalaureate degrees, 3% of all masters' degrees, and 52% of first-professional degrees. Business represented 19% of all independent college degrees, 22% of all baccalaureate degrees, and 21% of all masters' degrees. Liberal and general studies, and health sciences accounted for most awards below the baccalaureate level.

RESEARCH

Research Activity, Statewide

University and college departments, faculty, and students are often engaged in independent or "departmental" research activities in addition to instruction and public service activities. However, only organized or formal research commands designated resources and is governed by external guidelines and schedules. The Nebraska Coordinating Commission for Postsecondary Education has compiled the HEGIS data for research expenditures in the annual editions of the report *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*. HEGIS instructions to institutions require a reporting of all funds expended for activities specifically organized to produce research outcomes and commissioned by an agency either external to the institution or separately budgeted by an organizational unit within the institution.

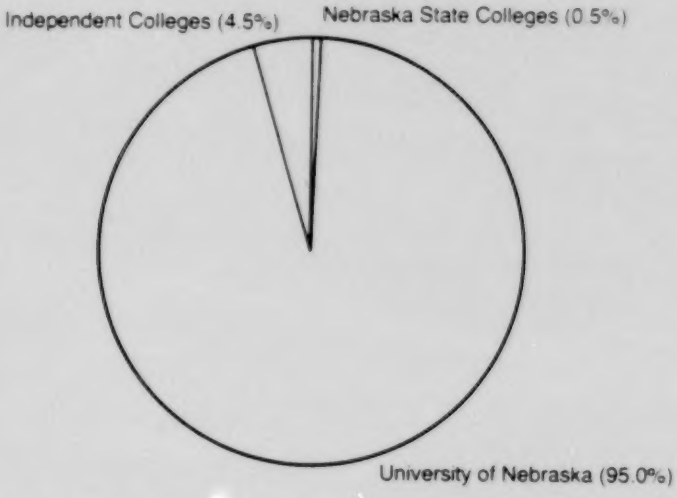
Research ranks as a high priority for the University of Nebraska where graduate study is emphasized. State colleges conduct a limited amount of funded research as do three of the independent colleges.

Figure 4 shows that the distribution of research expenditures is predominantly at the University of Nebraska with 95% of the total followed by independent colleges with 4.5% and state colleges with .5%.

FIGURE 4

Research Expenditures

All Sectors, 1982-83



SOURCE: Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983.

BEST COPY AVAILABLE

In fiscal year 1982-83 Nebraska institutions of higher education reported expenditures of $42,227,000 for formal research activities. The University of Nebraska commanded the greatest research budget among the institutions. In 1982-83 the University of Nebraska reported expending $40,132,000 for research, whereas independent colleges expended $1,874,000 and state colleges $221,000. Among campuses of the University the UN-L expenditure for research was $33,584,000, which far exceeded expenditures for UNO at $640,000 and UNMC at $5,907,000.

Each of the state colleges allocated less than 1% of its budget to research in 1982-83. Kearney State College had the largest research budget of the state colleges in 1982-83 at $144,000. Of the independent colleges only Creighton, Doane, Concordia, and Nebraska Indian Community College budgeted money for research. Creighton's budget was the largest at $1,780,000 and represented 2.7% of its total budget.

Research Units, UN-L

Formal research activity is conducted by individual faculty members, students, and departments as well as by various bureaus, institutes, and research centers. The following UN-L research facilities perform a wide range of specialized research with budgets of varying size, supported by a variety of funding sources.

Agricultural Research Division (formerly Agricultural Experiment Station)
Barkley Memorial Center (Special Education and Communications Disorders)
Bureau of Business Research
Bureau of Sociological Research
Center for Great Plains Studies
Community Resource and Research Center
Conservation and Survey Division
- Remote Sensing Center
- Water Resources Center
Engineering Research Center
Environmental Programs
Government Research Institute
Institute for Ethnic Studies
Midwest Center for Mass Spectrometry
Nebraska Research Coordinating Unit for Vocational Education
Nebraska State Museum (Morrill Hall)
Polar Ice Coring Office
Tumor Biology Laboratory
University Television

Research Units, UNMC

Like the other campuses within the University system, each academic unit has a research responsibility. In addition to the research which is conducted in the Colleges of Medicine, Pharmacy, Dentistry, and Nursing, much of the research occurs in the University Hospital and clinics. The following UNMC institutes consider research and the associated direct patient care their primary function.

Eppley Institute for Research in Cancer and Allied Health Diseases
Nebraska Psychiatric Institute
Meyer Children's Rehabilitation Center

Research Units, UNO

Faculty members in all disciplines, especially those offering graduate-level programs, are expected to participate in appropriate research and scholarly or artistic activity at UNO. Certain units are engaged predominantly in research.

Center for Applied Urban Research
Center for Applied Psychological Services
Remote Sensing Applications Laboratory
Surface Science Studies

Research Funding Sources, UN-L and UNMC

Sources of research funding are not provided in the annual HEGIS report of financial data, but actual research expenditures are reported in the annual budget request documents for the University. Sources of research income include grants and contracts from federal, state and private entities, revolving funds, trust funds, and direct state appropriations. Figure 5 shows the federal and state sources of research funds for UN-L and UNMC over the period 1980-84. Federal funds exceeded state funds as a source of revenues for UN-L and UNMC each year. In fiscal year 1983-84 total research expenditures were $35,826,802 for UN-L and $8,741,316 for UNMC. State and federal sources represented 66% of research expenditures at UN-L and 87% at UNMC.

Research expenditures for UN-L have increased by 38% since fiscal year 1979-80 and 47% for UNMC. While federal funding increased 25% for UN-L over the period 1980-84, it increased 10% for UNMC. While state funding increased 37% for UN-L over the same period, it increased 253% for UNMC. Trusts, private and outside sources increased 57% for UN-L and 81% for UNMC over the period.

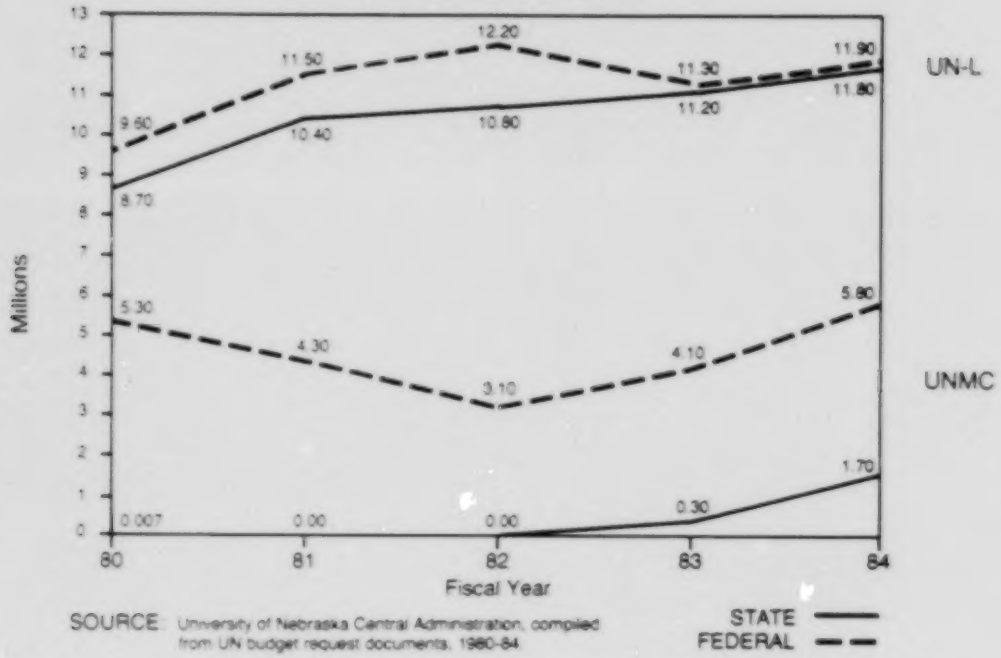
Research Capital Expenditures for Research Fields

According to the National Science Foundation (NSF) report *Survey of Scientific and Engineering Expenditures at Universities and Colleges*, total capital expenditures for scientific and engineering facilities and equipment for research, de-

FIGURE 5

Fed & State Sources of Research Funds

UN-L & UNMC, FY 1980-84



SOURCE: University of Nebraska Central Administration, compiled from UN budget request documents, 1980-84

velopment and instruction in Nebraska have declined by 40% over the fiscal years 1975-81. Expenditures are categorized by the fields, engineering, physical sciences, environmental sciences, math/computer sciences, life sciences, psychology, social sciences, and other sciences. Of all the fields capital expenditures for life sciences over the period 1975-81 far surpassed the rest at 87%, followed by engineering at 12%. None of the funding for these capital improvements was from federal funds.

Research Emphasis, UN-L

The NSF report describes the research expenditures by field for UN-L over the period 1975-82. Agricultural sciences commanded by far the greatest share of the UN-L research expenditures in fiscal year 1981-82 at $22,216,000, which was over 50% of the total research expenditures of $44,172,000. The next largest research field in 1981-82 was environmental sciences at 13%, followed by physical sciences at 10%, and engineering at 8%. The largest research field — agricultural sciences — increased by 121% over the term 1975-1982 while the total research expenditures increased 144%.

The NSF survey specifies which disciplines are included under the categories social sciences, engineering, environmental science, mathematics and computer science, life sciences and agriculture, and psychology. This arrangement cuts across UN-L organizational lines but does allow comparison to other AAU Land Grant institutions. Also, in assessing research expenditures, it should be noted that agriculture is the only field in which there is uniform and direct budgeting of faculty to research activity.

Comparisons of UN-L to Other AAU Land Grant Universities

The NSF reported in the publication *Institutional Profiles, 1982*, that among the eleven AAU Land Grant universities, UN-L had the smallest number of full-time scientists and engineers at 753, but the highest research expenditures at $58,661 per scientist or engineer in fiscal year 1981-82. When considering just federal funds, UN-L fell to 9th place with expenditures of $18,446 per scientist or engineer. The inference from these data is that state support and other nonfederal sources of revenue represent a much larger pro-

portion of total research expenditures in Nebraska than other AAU Land Grant universities. UN-L had the lowest proportion of federally funded research expenditures per full-time faculty at 31% while the University of Wisconsin-Madison ranked first among the AAU Land Grant universities at 65%.

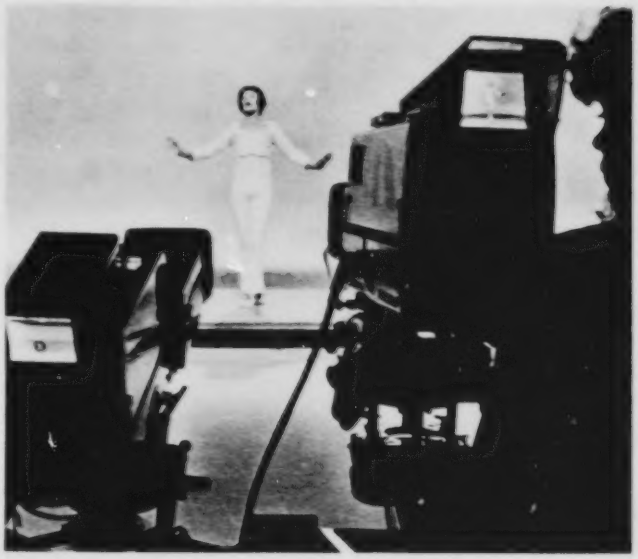
The proportion of research expenditures for agricultural sciences was greater at UN-L than any other AAU Land Grant university at 50% in 1981-82. Michigan State University was the next highest at 41% and the University of Wisconsin-Madison was last at 9%. UN-L ranked second in the proportion of total research expenditures for agricultural sciences from nonfederal sources (state and private) at 76% in 1981-82. In contrast the University of Wisconsin-Madison received 52% of total agricultural science research revenues from nonfederal sources.

UN-L reversed the average pattern of federal and nonfederal support for research. The average university spent one dollar of state and private research money for every two dollars of federal money; UN-L spent two dollars of state and private research money for every one dollar of federal money.

The proportion of federally funded research varied greatly by research category. In 1981-82 UN-L chemistry research was 62% federally funded and physics research was 63% federally funded, whereas agriculture sciences was 24% federally funded. Average federal funding levels for the AAU Land Grant institutions were 61% in chemistry, 74% in physics, and 31% in agricultural sciences.

UN-L ranked first in federal support per full-time scientist or engineer among the eleven AAU Land Grant institutions in research in environmental sciences. It ranked fourth in physical sciences. UN-L ranked sixth in the field of life sciences and agriculture. UN-L ranked tenth in the fields of social sciences, engineering, and psychology and at the bottom in math and computer science.

PUBLIC SERVICE



Public Service Activity Statewide

Members of faculties and student bodies in postsecondary education engage in a wide range of independent public service activities. However, only formal public service activities which are funded with designated resources are reported in HEGIS and compiled in the annual edition of the publication *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982, 1983.* HEGIS instructions to institutions require a report of all funds budgeted specifically for public service and expended for activities established primarily to provide noninstructional services for particular sectors of the community.

Public service ranks as a low budgetary priority for all sectors. Among the sectors, the University of Nebraska expends the largest amount of resources on public service. As shown in Figure 6, 92% of all public service expenditures were made by the University of Nebraska in 1982-83. Independent colleges accounted for 7% of total public service expenditures, state colleges 2%, and technical community colleges .1%.

In 1982-83, Nebraska postsecondary institutions budgeted $28,519,000 for formal public service activities. The University of Nebraska allocated by far the greatest amount, $26,156,000, whereas independent colleges allocated $1,883,000, state colleges $450,000, and technical community colleges $29,000. Among campuses of the University system, the UN-L budget for public service was the greatest at $22,953,000, followed by UNMC with $2,536,000 and UNO with $667,000.

The state colleges on the average expended 1% of their budgets to public service. Kearney State College had the largest expenditure in 1982-83 with $180,000. The independent colleges expended about 2% of the total for public services. Of the independent colleges only Bishop Clarkson College of Nursing, Creighton University, Grace College of the Bible, Union College, and Nebraska Indian Community College expended funds for public service in 1982-83. Creighton University surpassed the rest with $1,172,000.

Formal Public Service, UN-L

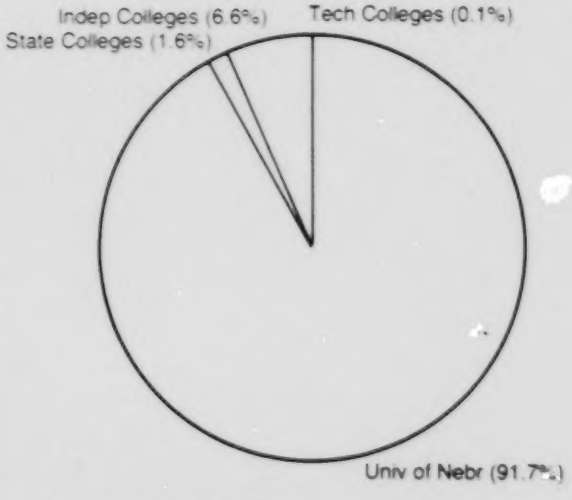
Many of the public service activities at UN-L are an outgrowth of instruction and research functions and are often auxiliary to another principal purpose. Although public service activity is undertaken routinely by departments across colleges and by faculty members and students acting independently, the following partial list of services represent a wide array of benefits realized by residents of the state.

All State
Barkley Center Clinics
Bureau of Business Research
Bureau of Educational Research
Bureau of Sociological Research
Buros Institute of Mental Measurements
Center for Great Plains Studies
Child Development Lab
Christlieb Art Collection
Community Resource and Research Center
Conservation and Survey Division
Cooperative Extension Service
Division of Continuing Studies
Economic Education Center
Educational Psychology Clinic
Elderhostel
Engineering Extension
Great Plains TV Library
Instructional Media Services
Kimball Recital Hall
Mueller Planetarium
Music Programs & Tours
Nebraska Center for Continuing Education
Nebraska Educational Television
Nebraska Hall
Nebraska Press
Nebraska State Museum (Morrill Hall)
Nebraska Writer's Project
Psychology Clinic
Sheldon Art Gallery
Sheldon Film Theatre
University Theater
Water Testing Services

FIGURE 6

Public Service Expenditures

All Sectors, 1982-83



SOURCE: Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983.

Public Service Activities, UNO

Faculty and staff in many departments of UNO are engaged in a broad range of public service activities which relate to their instruction and research missions. The following selected public service contributions are representative examples of the benefits provided by UNO to the citizens of the state.

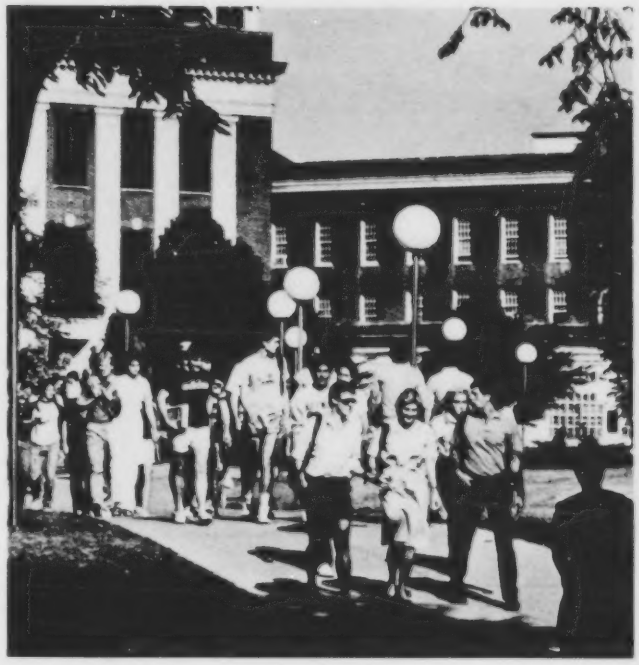
Continuing Education workshops and seminars
Fine Arts public performances and exhibitions
Fine Arts radio, KVNO
Nebraska Business Development Center
Nebraska Government Officials Workshops
Nebraska Municipal Clerk School
University Television, KYNE-TV

Public Service Activities, UNMC

Every college and department at the University of Nebraska Medical Center is required to participate in public service activities which are integrated into their instruction and research missions. UNMC provides services to Nebraskans not available elsewhere in the state. A brief summary of public service activities includes the following.

Family practice refresher course
Health education clinics
Meyer Childrens' Rehabilitation Hospital
Nebraska Psychiatric Institute
University Hospital

ENROLLMENT



Enrollment Trend Comparisons

Table 1 shows the major trends that have affected rising enrollment in institutions of higher education for the nation and the state in the historical period 1970 to 1983. Although Nebraska generally follows the direction of national trends, the trends differ in magnitude.

Total headcount enrollment for Nebraska institutions of higher education, as in the nation, has increased very rapidly over the period 1973-83 although at a faster rate in Nebraska than the nation. While enrollment increased 29% for the nation, it increased 36% in Nebraska. Population growth of the primary college age group for the nation was 11% from 1970 to 1980 whereas in Nebraska the increase was far less at 3%. Nebraskans are great consumers of higher education.

Women outnumber men in Nebraska postsecondary institutions although the population of women enrolled slightly lags the nation. In 1982 the proportion of white, non-Hispanic enrollment in Nebraska was 92%. Minority enrollment represented 5% of total enrollment in Nebraska whereas minorities represented 14% for the nation. Minority population in Nebraska was 6% of total population compared to 23% for the nation in 1980. However, the participation of minorities in higher education is greater in Nebraska at 5% compared to 4% for the nation.

Enrollment data by age are not provided by HEGIS. In order to examine the trend for enrollment by age, statistics provided by the UN-L Institutional Research and Planning

TABLE 1

ENROLLMENT TRENDS NEBRASKA AND UNITED STATES

		Historical		% Change over Historical Periods
Total Enrollment	Nation	9.6m (1973)	12.4m (1983)[1]	29.2%
	Nebraska	70,160 (1973)	95,662 (1983)	36.3%
Population (15-19)	Nation	19,070,348 (1970)	21,168,124 (1980)	11.0%
	Nebraska	143,337 (1970)	147,249 (1980)	2.7%
Male/Female	Nation	52.8%/47.2% (1976)	48.5%/51.5% (1982)	9.1%
	Nebraska	55.0%/45.0% (1976)	49.7%/50.3% (1983)	11.8%
White, nonHispanic/ Minority/Nonresident/ Alien Enrollment	Nation	84.4%/13.1%/2.5% (1976)	82.4%/14.0%/3.5% (1982)	6.9%
	Nebraska	94.1%/5.03%/.87% (1976)	92.72%/5.33%/1.95% (1982)	6.0%
Participation rates, Total/ White/Minority	Nation	—	5.18%/5.20%/3.68% (1980)	—
	Nebraska	—	5.74%/5.72%/5.00% (1980)	—
Under 25 year old Enrollment	Nation	72.2% (1970)	61% (1982)	−15.5%
	UNL only	82.0% (1971)	75% (1983)	−8.5%
Full-time/Part-time Enrollment	Nation	64.5%/35.5% (1973)	57.1%/42.9% (1983)[2]	21.4%
	Nebraska	69.0%/31.0% (1973)	61.0%/39.0% (1983)	25.8%
Undergraduate, Unclassified Enrollment	Nation	85.6% (1976)	87.1% (1982)	1.3%
	Nebraska	85.1% (1976)	87.0% (1982)	2.2%

[1]Estimate [2]Estimate

Source: U.S. Dept. of Education, National Center for Education Statistics, *The Condition of Education, A Statistical Report*, 1983 and 1984 editions; U.S. Dept. of Commerce, Bureau of the Census, 1970 and 1980 *Population of the Census*; U.S. Dept. of Commerce, Bureau of the Census, Current Population Reports, *Population Estimates and Projections*, Series P-25 No. 952; Bureau of Business Research, University of Nebraska-Lincoln, *Nebraska Population Projections, 1985-2000*; Nebraska Commission for Postsecondary Education, *Fall Headcount Enrollments in Nebraska Institutions of Postsecondary Education*, 1973-1979, 1979-1983; Nebraska Commission for Postsecondary Education, *A Report on Minority Enrollment*, December 1982; data provided by the Institutional Research and Planning Office at the University of Nebraska-Lincoln and the Nebraska Coordinating Commission for Postsecondary Education.

Office were used to demonstrate one case. The under-age-25 enrollment is on the decline at UN-L as for the nation. However, the level of under-age-25 enrollment is higher than the national average at UN-L in 1983 and is declining more slowly. In 1983, 75% of enrollment at UN-L was under age 25 which represented a decline of 9% from 1971. The under-age-25 enrollment for the nation was 61% in 1982, representing a decline of 16% since 1970.

Part-time enrollment has increased while full-time enrollment has declined in Nebraska, like the nation, over the period 1973-83. Part-time enrollment in Nebraska institutions represented 39% of total enrollment in 1983 compared to 43% for the nation. However, part-time enrollment increased at a faster rate in Nebraska at 26% compared to 21% for the nation.

Undergraduate enrollment is relatively stable for the state and the nation. Also, the proportion of undergraduate total enrollment was nearly the same at 87% for Nebraska and the U.S.

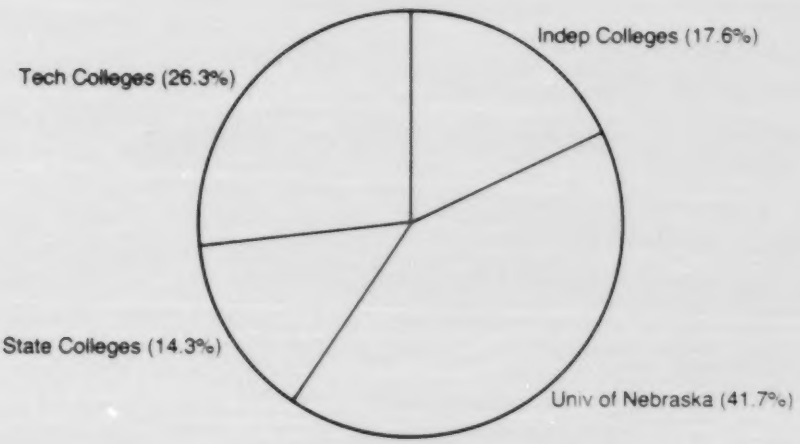
Enrollment Distribution by Sector

Enrollment data are submitted annually by the Coordinating Commission for Postsecondary Education from HEGIS data reported by institutions. The publication, *Fall Headcount Enrollment in Nebraska Institutions of Postsecondary Education 1980-1984*, and previous editions, are the sources for all statistics and calculations. Figure 7 shows that the University of Nebraska's total headcount in the fall of 1984 was 40,760 and represented the largest sector at 42% of total headcount enrollment. Technical community colleges were the second

FIGURE 7

Total Headcount Enrollment

All Sectors, Fall 1984



SOURCE: Nebraska Coordinating Commission for Higher Education, *Fall Headcount Enrollment in Nebraska Institutions of Postsecondary Education 1980-84*, October 1984

largest sector with an enrollment of 25,730 which represented 26% of total headcount enrollment. Independent colleges and universities followed with an enrollment of 17,237 and represented 18% of total headcount enrollment. The state colleges were the smallest sector at 14% of the total and a headcount enrollment of 13,936.

Enrollment Distribution by Level

In the fall of 1984 undergraduate enrollment was the largest enrollment by level representing 87% of total public postsecondary total headcount enrollment and 89% of total private enrollment. Graduate enrollment was 11% of the public postsecondary total headcount enrollment and 3% of total private enrollment. First-professional enrollment was just 2% of the public total headcount enrollment and 7% of private enrollment.

Enrollment Characteristics, All Sectors

Enrollment in Nebraska institutions of higher education is characterized by majorities of full-time, Nebraska resident, and women students. In the fall of 1984, 59% of total headcount enrollment were full-time, 80% were Nebraska residents, and 51% were women.

The technical community colleges had the highest proportion of part-time students at 67% in 1984 and the highest proportion of Nebraska resident enrollment at 96%. The other sectors had a similar proportion of part-time students at approximately 33% for the University of Nebraska and state colleges and 29% for the independent colleges. The University of Nebraska and state colleges had similar levels of resident enrollment at 85% and 88% respectively. Independent colleges hold the lowest proportion at 51%.

State colleges had the largest proportion of women enrollment at 58% in the fall of 1983, followed by independent colleges at 54%, technical community colleges at 49%, and the University of Nebraska at 47%.

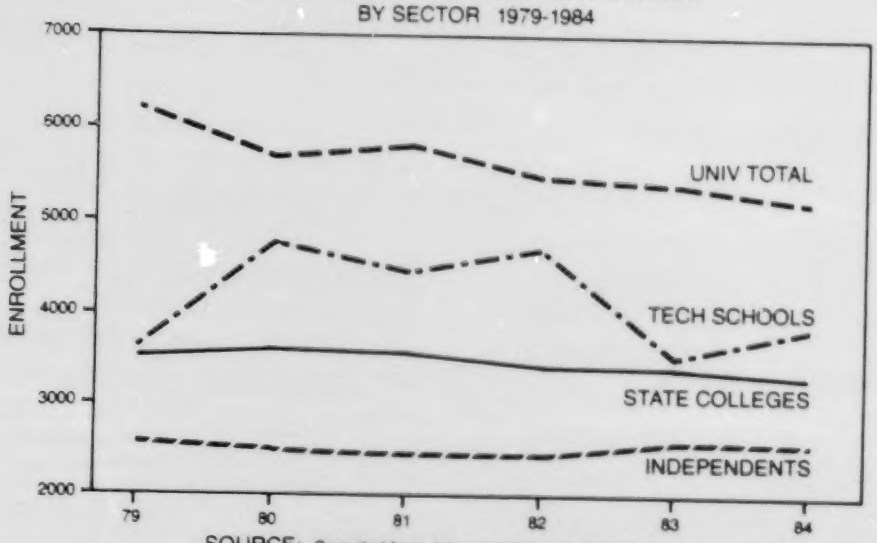
First-time Freshmen Enrollment Trends, All Sectors

Although total headcount enrollment for all institutions of higher education has increased by 13% over the period 1980-84, first-time freshmen enrollment, the leading indicator of enrollment trends, has declined in every sector except technical community colleges. Figure 8 shows the decline of first-time freshmen enrollment for each sector. The University of Nebraska experienced the greatest decline of first-time freshmen enrollment at 19% over the period 1980-84 followed by independent colleges with a decline of 11% and state colleges with a decline of 4%. Technical community colleges showed an increase of 2% over the same period.

FIGURE 8

First-Time Freshman Enrollment

BY SECTOR 1979-1984



SOURCE: Compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education, *Fall Headcount Enrollment in Nebraska Institutions of Postsecondary Education 1980-84*, October 1984.

FINANCES

A. State Fiscal Capacity and Performance

Kent Halstead of the National Institute of Education has compared all 50 states and the District of Columbia in the study, *How States Compare in Financial Support of Public Higher Education 1983-84*. The study draws on state and local appropriations to institutions and estimated student tuition payments to evaluate the primary financial commitment of residents to public higher education in each state. Although the Halstead model is best refined with additional state-level data, his essential findings have been replicated in other studies and provide a useful framework for general analysis.

Nebraska ranked 51st in the financial support of students in public institutions. Nebraska's bottom-of-the-barrel position seems confounding given that it ranked 25th and was 3% below the national average for tax capacity (available income and wealth), 28th and 7% below the average for tax effort (revenues collected), 11th and 32% above the average for allocation of state and local taxes to public postsecondary education, and 20th and 5% above the average for tuition and fees per full-time equivalent (FTE) student. The explanation lies in the demand for education and the cost of the educational system.

Nebraska ranked 11th out of all 50 states and the District of Columbia and 20% above the national average for student enrollment. Nebraska's high enrollment is attributed to a very high number of high school graduates, ranking 7th and 17% above the average, and a higher-than-average college attendance ratio, ranking 22nd and 5% above the average in the number of FTE students per high school graduate.

Nebraska's educational system support was the highest in the nation at 38% above the national average. System support measures the relative average cost per student that the state would incur for its public system if it financed enrollment at each type of institution according to the national average (appropriations and tuition per FTE student).

Nebraska has a large proportion of students enrolled in the most expensive institutions. Universities with a large graduate and upper division enrollment, a large senior faculty, and a strong research and public service function require a higher level of funding than two-year colleges and four-year colleges which provide less costly undergraduate instruction.

B. Tuition

Determination & Differential

In Nebraska institutions of higher education, tuition and fees are established by the appropriate governing board: the Board of Regents of the University of Nebraska; the Board of Trustees of the Nebraska State Colleges; the six elected governing boards for the technical community college; and the governing board of each private institution.

Tuition and fee rates are the same for UN-L and UNO. UNMC tuition and fees vary by program and in some cases by year in the program. Since the 1981-82 academic year, graduate tuition for the University of Nebraska has been higher than undergraduate tuition. All four state colleges have the same rates, whereas technical community colleges vary by institution although not by campus. Also, independent college tuition and fee rates vary by institution.

Comparisons

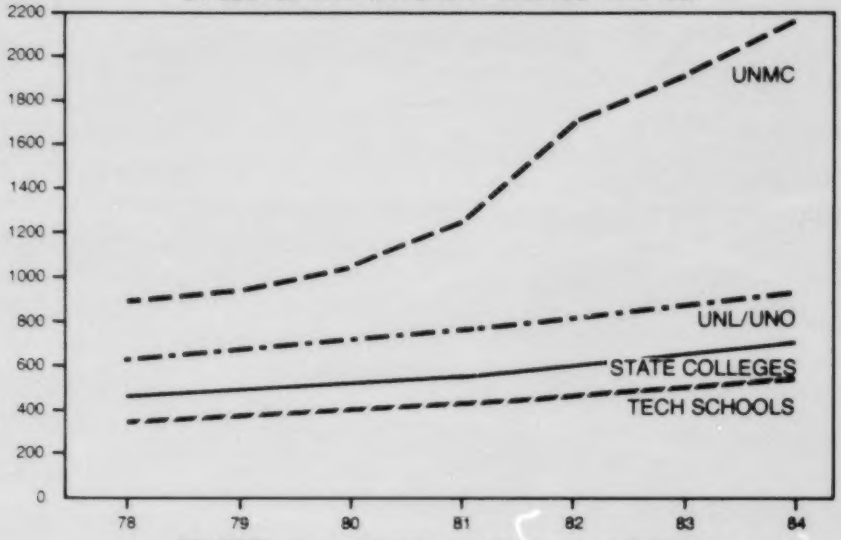
Rankings of states on the basis of financial support for higher education are provided jointly by the National Institute of Education (NIE) and the National Center for Higher Education Management Systems (NCHEMS) in the 1984 publication, *Higher Education Financing in the Fifty States, Interstate Comparisons, Fiscal Year 1981*. For public institutions in 1981 Nebraska ranked 20th out of 50 states and the District of Columbia in the amount of tuition and fee revenues per FTE student. Nebraska charged an average of $884 per FTE student; the average for the U.S. was $838.

Among non-medical research universities, UN-L ranked 15th out of 23 applicable states. UN-L tuition and fees were

FIGURE 9

Annual Resident Tuition Rates

BY SECTOR AND UNIVERSITY CAMPUS 1978-1984



SOURCE: Governor's Budget Office, Supplementary Budget Forms presented annually by institutions.

$1,030 per FTE student; the national average was $1,189. UNMC ranked 14th out of 22 applicable states with tuition and fee charges of $1,348 per FTE student compared to the U.S. average of $1,727.

For the university classification which includes Kearney State College, Wayne State College and UNO, Nebraska ranked 22nd out of 45 applicable states and the District of Columbia at $863 per FTE student compared to the national average of $831. General baccalaureate ranking for the remaining Nebraska colleges was 17th out of 40 applicable states at $878 per FTE student for Nebraska and $926 for the U.S.

Nebraska two-year academic colleges ranked 26th out of 45 states per FTE student tuition. Technical community college tuition and fee charges of $505 for Nebraska compared to $445 for the U.S. Two-year academic campuses included Fairbury-Beatrice, Southeast Community College; McCook Community College; Mid Plains Community College; and Nebraska Western College. (Academic transfer education also is offered at Northeast Technical Community College and at the Fort Omaha Campus of Metropolitan Technical Community College, but NIE-NCHEMS did not include those comprehensive institutions in its survey of two-year academic colleges.) Of the two year occupational colleges Nebraska ranked 17th out of 48 states with tuition and fees per FTE student of $605 compared to the U.S. average $579.

In fiscal year 1980-81 Nebraska public institutions were 5% above the average level of tuition and fees revenues per FTE with an index of 105. The lowest ranking Nebraska institutions for tuition and fees revenues per FTE student were: UNMC, at 22% below the national average; UN-L at 14% below the national average; and Chadron State College and Peru State College at 7% below the average. The state's highest rankings were for UNO, Kearney, and Wayne, which together were 3% above the national average, and the academic and the occupational technical community colleges, which were 13% and 4% above the average respectively.

Tuition and Fee Charges

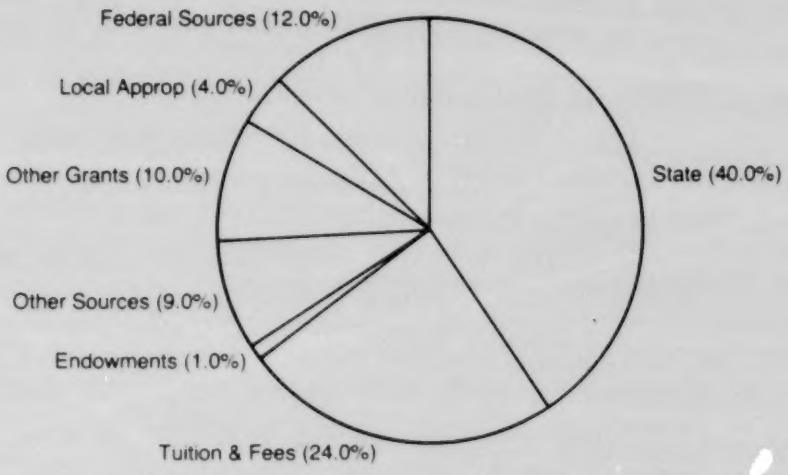
Resident tuition rates for public institutions historically have ranked in the following way: First, UNMC; second, UN-L and UNO; third, the state colleges, and lowest, technical community colleges. Figure 9 illustrates tuition rates by sector for the period 1978-84.

In 1983-84 annual resident tuition for UN-L and UNO at the undergraduate level was $1,035; the UN-L tuition for law was $1,136; UNMC tuition, which varies by program and program year, was $1,110 for nursing, $1,247 for pharmacy, $2,068 for first year dentistry, and $2,566 for first year medicine; state college annual tuition was $750; technical community colleges annual tuition, which varies by institu-

FIGURE 10

Current Fund Revenues

All Sectors, 1982-83



SOURCE: Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983

tion, averaged $575; independent college tuition ranged widely from $990 to $5300.

The rate of tuition and fee increase over the period 1977-84 was similar for all sectors at 64% for UN-L and UNO; 61% for state colleges; and, 65% for technical community colleges. The UNMC average resident tuition rates have increased the greatest over the interval 1977-84 at 148% followed by the University of Nebraska graduate tuition at 95%.

C. Institutional Revenues and Expenditures

Sources of Revenues, All Sectors

Postsecondary institutions of higher education in Nebraska annually report budget data collected in the HEGIS reports which are compiled and published by the Nebraska Coordinating Commission for Postsecondary Education. The following data are found in the most recent edition of *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983.*

Figure 10 illustrates the sources and proportions of all revenue for institutions of higher education. State appropriations, which totaled $187,233,000 in fiscal year 1982-83, represented 40% of total revenues. This proportion of state appropriations to total revenues has declined over the last five years from 45% in 1978-79 to 40% in 1982-83.

Tuition and fees totaled $117,519,000 in fiscal year 1982-83, representing 24% of all revenue for higher education. The proportion of tuition and fees to total revenue has increased slightly over the period 1979-83 from 23% to 24%.

Federal and local revenue sources, non-federal grants and contributions, other sources and endowment represented the remaining 36% of total revenues in 1982-83. The proportions of the total represented by both federal and local funds remained stable over the period 1979-83 while other sources, endowments and other grants and contributions increased.

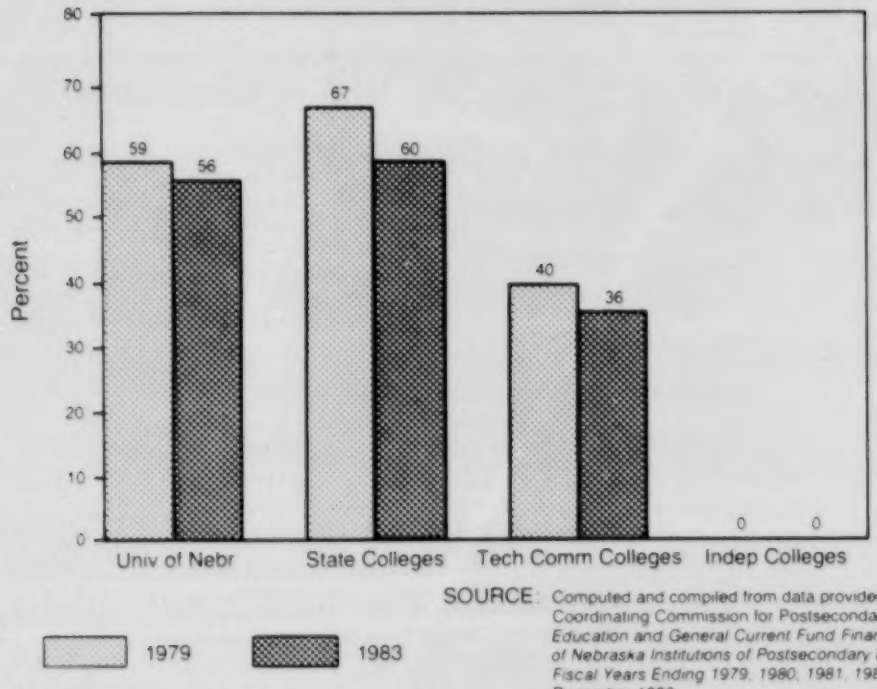
State Appropriations as a Proportion of Revenues, All Sectors

Figure 11 shows state appropriations as a proportion of total revenues for each sector over the period 1979-83. The $22,137,000 appropriated to the state colleges represented

FIGURE 11

State Appropriations

All Sectors, 1979, 1983
As a Proportion of Total Revenues



SOURCE: Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education. *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983.* December 1983

the single greatest share of total sector revenues at 60% in fiscal year 1982-83. This represented a decline from 67% in 1978-79.

The University had the next greatest proportion of total revenues represented by state appropriations at 56%, totaling $144,072,000. The University's reliance on state support has declined from 59% of total revenues in 1979 to 56% in 1982-83.

Technical community colleges relied on state appropriations the least at 36% of all revenues, an amount of $21,024,000. The community colleges have experienced a decline in the proportion of state revenues from 40% in 1979 to 36% in 1982-83.

The University of Nebraska has received the greatest amount of state appropriations per headcount enrollment at $3,438 in 1982-83. State colleges followed at $1,688 and technical community colleges were next at $931.

State support per headcount has increased similarly for the University and community colleges at 25% and 23% respectively over the interval 1979-83. State colleges have increased at the slower rate of 13%. Differences in appropriations per headcount reflect, among other factors, the variation in research, service and noninstructional activities among sectors.

State Appropriations as a Proportion of Revenue, University of Nebraska

Figure 12 shows the proportion of total revenues represented by state appropriations for the University of Nebraska. UNMC received $42,689,000 in state appropriations in 1982-83, which represented 66% of its total revenues, the largest proportion of state support in the University. UN-L received the largest amount of state support of $80,630,000, which represented 53% of its total revenues. UNO received $20,753,000, a proportion of 54%.

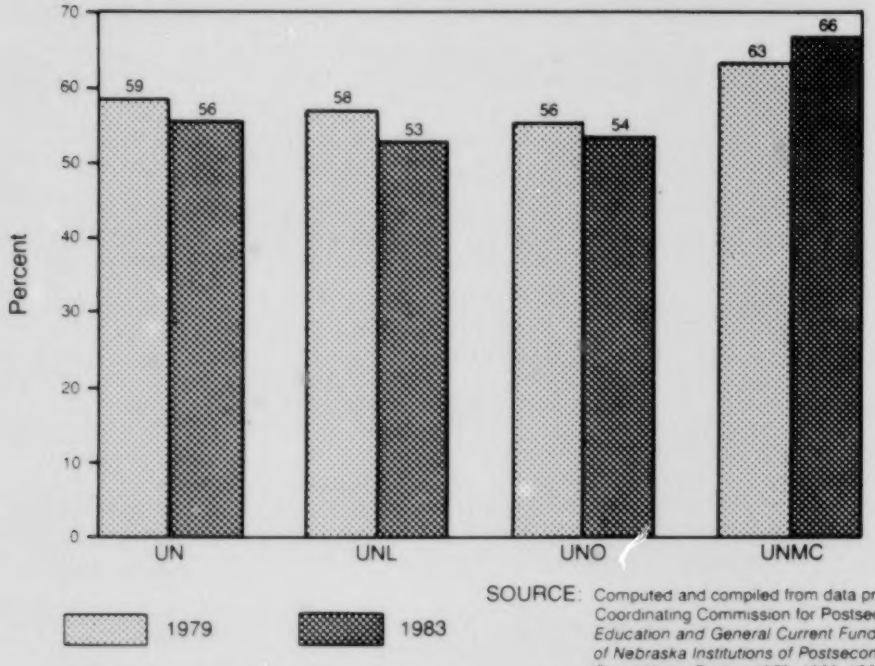
State appropriations as a proportion of total revenues have declined over the term 1979-83 for all campuses in the University with the exception of UNMC. The increase of state appropriations varies by administrative unit within the University. Figure 13 shows the increases for each unit for 1979-83. State appropriations increased by an average of 33% for the University, with the Institute of Agriculture and Natural Resources at UN-L registering the greatest increase at 43%, followed by UNMC at 41% and UNO at 34%.

FIGURE 12

UN-State Appropriations

1979-1983

As a Proportion of Total Revenues



SOURCE: Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983.

State appropriations for UN-L (excluding IANR) increased below the average at 23%.

Tuition and Fees as a Proportion of Revenues, All Sectors

Although tuition and fees resources have risen substantially for all sectors over the period 1979-83, Figure 14 shows that tuition and fees as a proportion of total revenues have changed only slightly. The University of Nebraska tuition and fees revenues of $43,821,000 in fiscal year 1982-83 represented a 55% increase since 1978-79 while tuition and fees as a proportion of total revenues increased from 15% to 17%. State colleges' tuition and fees revenue of $8,856,000 in 1982-83 increased by 46% while tuition and fees as a proportion of the total remained stable at 24%.

Technical community college tuition and fees revenues of $8,844,000 have increased by 69% whereas tuition and fees as a proportion of the total increased from 14% to 15%.

Independent colleges had the greatest increase of tuition and fees revenues at 70%. They depended most heavily on tuition and fees as a revenue source, which was $55,998,000 or 59% of the total in 1983 and was down from 61% in 1978-79.

Tuition and fees per headcount enrollment varies greatly by sector. The independent colleges had the greatest amount at $3,102 in 1982-83 followed by the University of Nebraska at $1,045, state colleges at $675, and technical community colleges at $391. The greatest change over the term 1979-83 occurred for technical community colleges with an increase of 49%, the University of Nebraska with 47%, and independent colleges with 44%. State colleges experienced the least increase in tuition and fees per headcount at 28%.

Tuition and Fees as a Proportion of Revenues, University of Nebraska

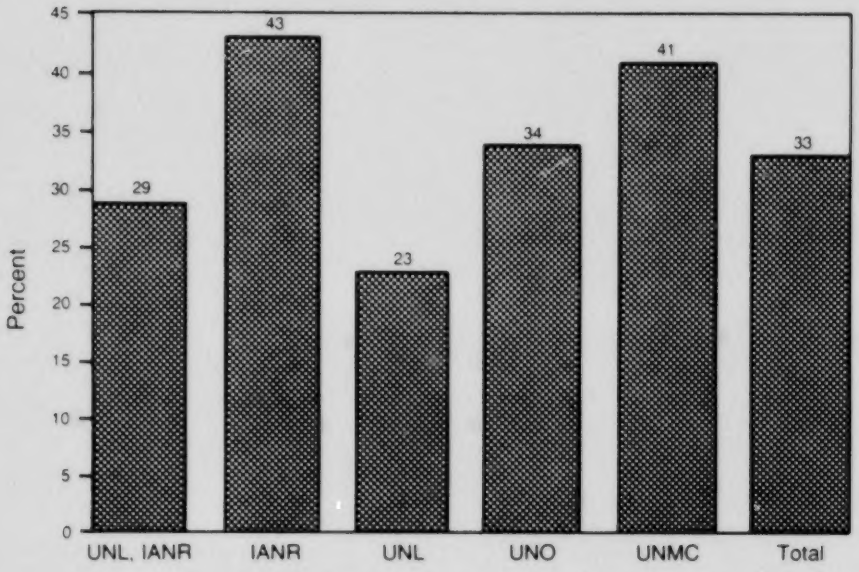
University of Nebraska campuses had varying degrees of reliance on tuition and fees as a source of revenue although each received a similar increase in the proportions over the period 1979-83. Figure 15 indicates that UNO had the greatest proportion of tuition and fees at 31% of total revenues in fiscal year 1982-83, followed by UN-L at 19%, and UNMC at 6%.

UNO experienced the greatest increase in the proportion of revenues from tuition and fees, from 27% to 31% over the

FIGURE 13

UN-State Appropriations

Percentage Increase, 1979-1983



SOURCE: Computed and compiled from data provided by the Legislative Fiscal Office, University of Nebraska Budget Request Documents, 1979-1983

period 1979-83. UN-L and UNMC experienced smaller percentage increases.

The actual amount of revenues from tuition and fees increased the greatest at UNMC by 127% from 1979-83. UNO followed with an increase of 58% and UN-L with 48%.

Purpose & Distribution of Expenditures, All Sectors

Figure 16 shows that instruction represented the greatest share of the total amount of expenditures for higher education in fiscal year 1982-83. Instruction expenditures of $194,109,000 represented 43% of the total in 1982-83 compared to 45% in 1978-79.

Research expenditures represented 9% of the total higher education budget with an amount of $42,227,000 in 1982-83. The proportion of research expenditures has declined slightly from 10% in 1978-79. Total public service expenditures were $28,519,000 in 1982-83, which represented 6% of the total budget. The proportion of public service expenditures declined from 7% in 1978-79. Expenditures for instruction, research and public service have increased at approximately the same rate of 42% over the interval 1979-83.

Distribution of Expenditures, Public Sector

Total expenditures for public institutions of higher education were $341,299,000 in fiscal year 1982-83. The University of Nebraska commanded 73% of all expenditures at $249,802,000. Technical community colleges expended 16% of total expenditures or $54,856,000. State college expenditures were 11% or $36,642,000. The proportion of total expenditures among sectors has remained nearly stable over the period 1979-83.

While expenditures for the public sector increased 41% since 1978-79, state colleges and technical community college expenditures have shown a greater growth of 45% and 44% respectively. The University of Nebraska increased expenditures at a much slower rate of 40%.

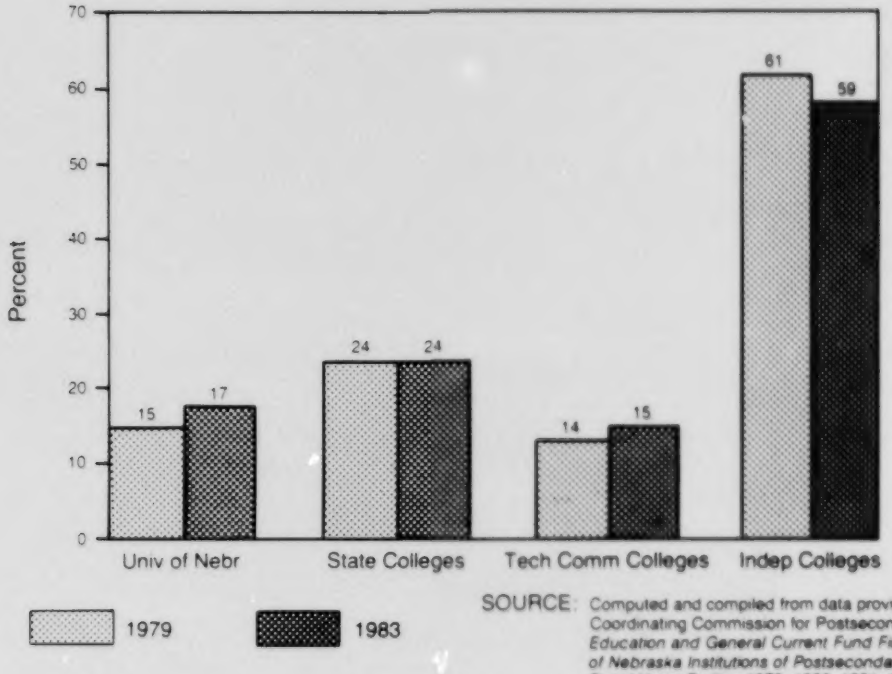
Total expenditures per full time equivalent student were the greatest for the University of Nebraska at $7,297 in 1982-83. Technical community colleges followed with $4,185 per FTE student, and state colleges with the lowest at $3,737. Differences in expenditures per FTE student reflect, among other factors, the variation in research, service, and noninstructional activities among sectors.

FIGURE 14

Tuition & Fees, by Sector

1979, 1983

As a Proportion of Total Revenues



SOURCE: Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983

The University of Nebraska and state college expenditures per FTE student have increased the most at 25% and 27% respectively over the period 1979-83. Technical community colleges increased by only 11%.

Distribution of Expenditures, University of Nebraska

The University of Nebraska's total expenditures in 1982-83 were $249,802,000. Of this amount UN-L expended 63% or $157,104,000, UNO 16% or $39,675,000, and UNMC 21% or $53,021,000. Although the University's proportion of total expenditures in the public sector has remained stable over the period 1979-83, there have been shifts of resources among the campuses. UNMC has shown the greatest growth in actual research expenditures over the period at 53% compared to 37% for both UN-L and UNO.

Instruction Expenditures, Public Sector

The technical community colleges allocated the greatest share of expenditures for instruction of all the sectors at 49% in fiscal year 1982-83. Figure 17 shows that state colleges followed at 44% and the University at 39%. All sectors have experienced a decline in the proportion of total expenditures represented by instruction. However, actual expenditures for instruction have increased by 38% for state colleges, 37% for technical community colleges, and 30% for the University of Nebraska over the years 1979-83.

The University had the greatest expenditure for instruction per FTE student at $2,860 in 1982-83. Technical community colleges expended $2,050 per FTE student, and state colleges $1,638.

State college instructional expenditures per FTE student increased the greatest at 21% over the period 1979-83, followed by the University of Nebraska at 16% and technical community colleges at 6%.

Instructional Expenditures, University of Nebraska

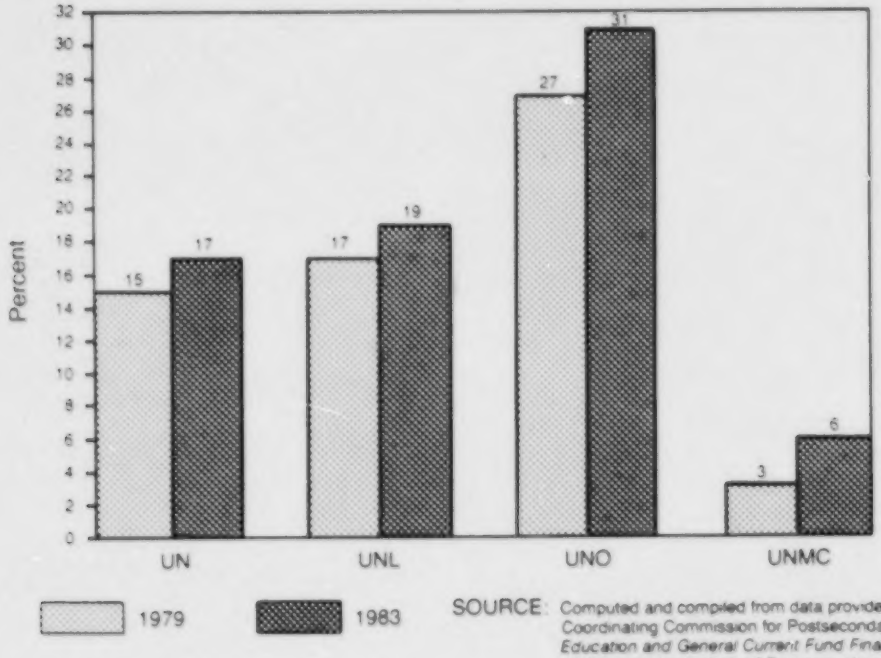
UNMC has the highest proportion of total expenditures represented by instruction in fiscal year 1982-83. Figure 18 shows that instruction expenditures represented 54% of the total, whereas for UNO instruction represented 47% and UN-L 32%.

FIGURE 15

UN-Tuition & Fees

1979, 1983

As a Proportion of Total Revenues

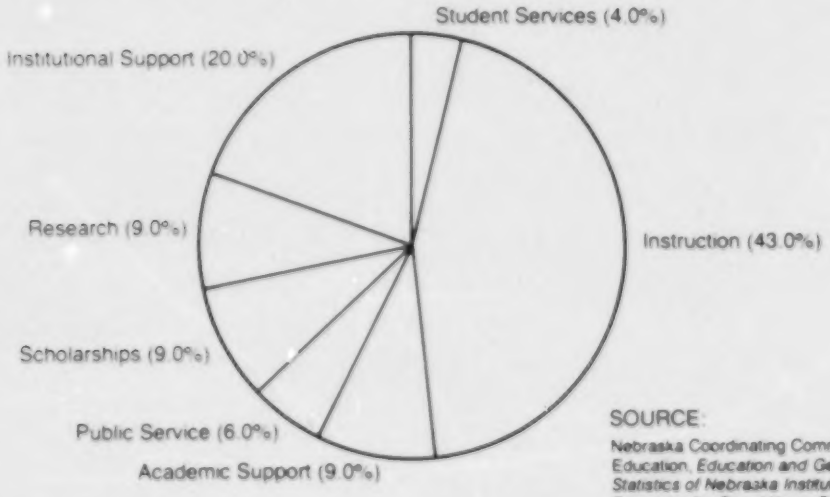


SOURCE: Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983.

FIGURE 16

Current Fund Expenditures

All Sectors, 1982-83



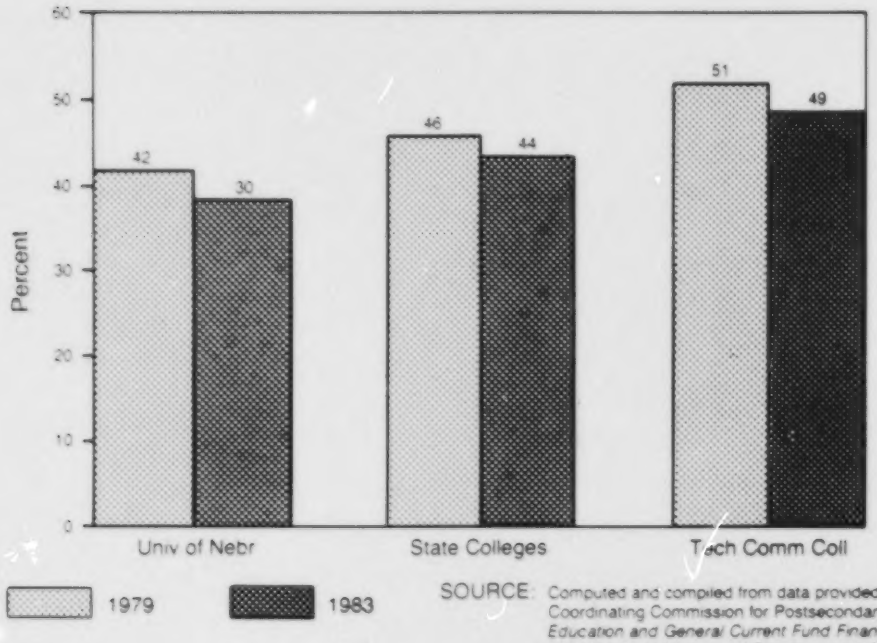
SOURCE:

Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983.

FIGURE 17

Instruction Expenditures

Public Sectors, 1979, 1983
As a Percentage of Total



SOURCE: Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education. *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983.

While instruction as a proportion of total expenditures has declined for the University as a whole, the proportion at UNMC increased during the term 1979-83.

Instructional expenditures per FTE student at UNMC of $12,269 were more than five times that for UN-L at $2,315 in 1982-83. UNO instructional expenditures per FTE were the University's lowest at $1,867.

UNMC and UNO experienced the greatest increase in FTE student instructional expenditures at 18% and 16% respectively over the period 1979-83. UN-L's increase in FTE instructional expenditures was far less at 5% over the same period.

Research Expenditures, Public Sector

The University of Nebraska was the only sector in fiscal year 1983 with research expenditures exceeding 1% of total expenditures. The University's level of research expenditures has remained nearly stable at 16% of total expenditures in 1983.

Figure 19 shows that UN-L had the greatest proportion of research expenditures to total expenditures in 1982-83 at 21%, followed by UNMC at 11%, and UNO at 2%. UN-L experienced the only increase in the proportion of total expenditures represented by research over the period 1979-83. However, UN-L's actual research expenditures increased by 56%, which far surpassed the increase for UNMC at 2% and UNO at 10%.

Research expenditures per full-time equivalent graduate and first professional student were the greatest for UN-L at $11,232 in 1982-83, followed by UNMC at $7,549, and UNO at $592. UN-L research expenditures per FTE student have increased by 58% since 1978-79, whereas UNMC increased by 20%, and UNO declined by 18%.

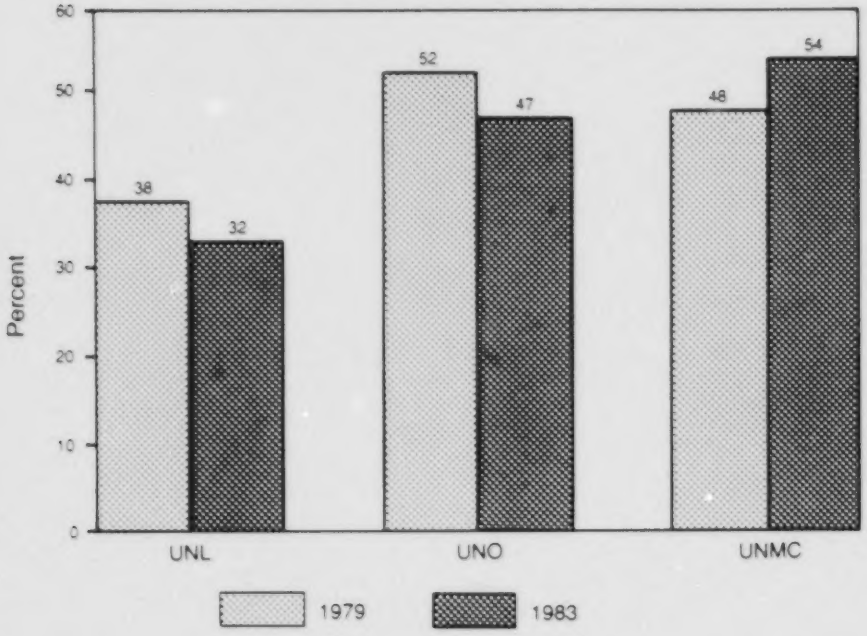
Public Service Expenditures, Public Sector

Public service expenditures occurred primarily at the University of Nebraska where $26,156,000 or 10% of total expenditures went to public service. State colleges allocated 1% of total expenditures to public service and technical community colleges less than 1%.

FIGURE 18

UN-Instruction Expenditures

As a Percentage of Total Expenditures, 1979, 1983



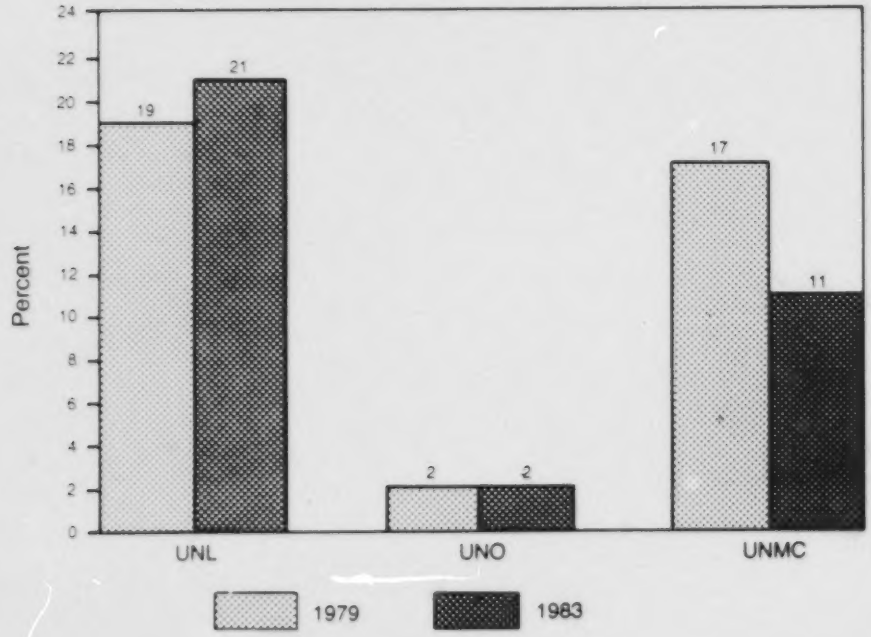
SOURCE:

Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983.

FIGURE 19

UN-Research Expenditures

As a Percentage of Total, 1979, 1983



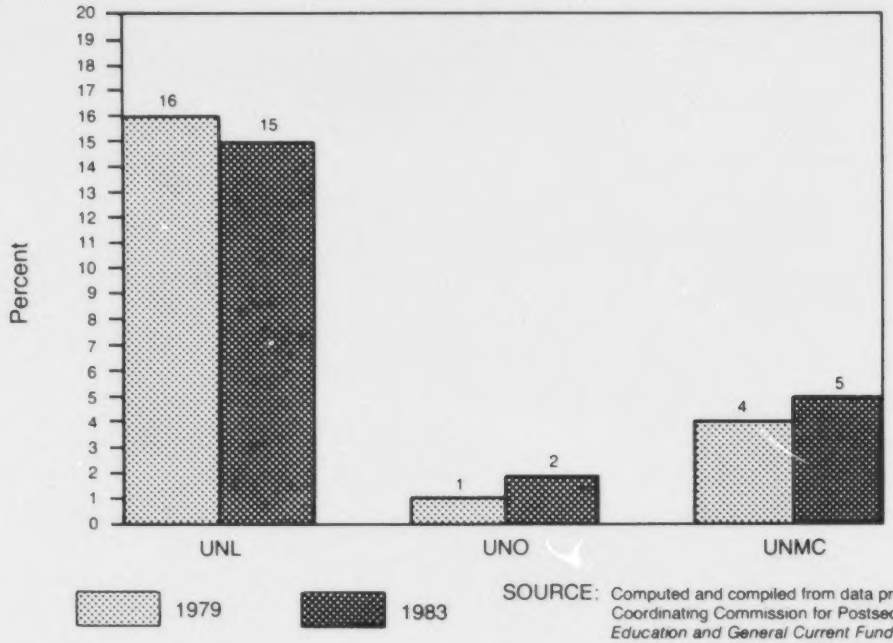
SOURCE:

Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983.

FIGURE 20

UN-Public Service Expenditures

As a Percentage of Total Revenues, 1979, 1983



SOURCE: Computed and compiled from data provided by the Nebraska Coordinating Commission for Postsecondary Education, *Education and General Current Fund Financial Statistics of Nebraska Institutions of Postsecondary Education for Fiscal Years Ending 1979, 1980, 1981, 1982 and 1983*, December 1983.

Public Service Expenditures, University of Nebraska

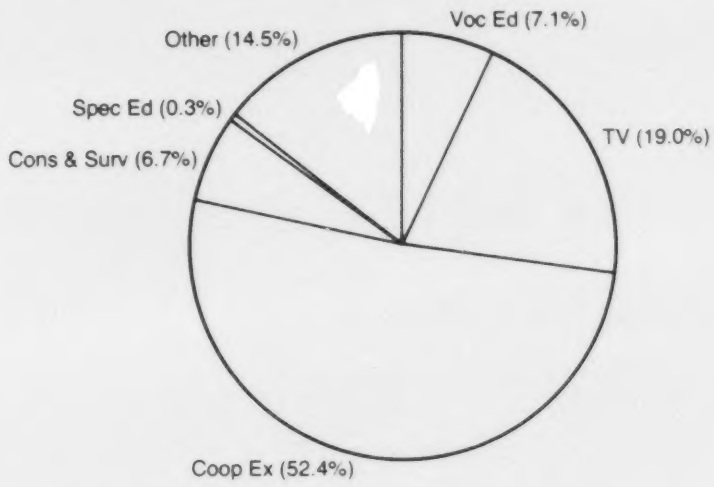
In 1982-83 UN-L allocated 15% of its total expenditures for public services whereas UNMC allocated 5% of its total and UNO 2%. Figure 20 shows that the proportion of public service expenditures has declined slightly for UN-L but increased for UNO and UNMC over the period 1979-83. However, the total amount expended for UN-L was $22,953,000 in 1983, up by 25% from 1978-79.

Cooperative Extension services represented by far the greatest share of UN-L public service expenditures. Figure 21 shows that 52% of the total went to Cooperative Extension. ETV expenditures represented the second largest class of expenditures at 19% in 1982-83.

FIGURE 21

UN-L Public Service Expenditures

By Major Program, 1982-83
(All Funds)



SOURCE: Computed and compiled from data provided by the Legislative Fiscal Office, University of Nebraska Budget Request Documents, 1982-83.

THE CHALLENGE

Nebraskans have high aspirations for their system of postsecondary education, but they have always tempered their aspirations with a strong dose of pragmatic realism. That is evident in the legislative Role and Mission statement of 1978 which is the principal document governing Nebraska's system of postsecondary education. The "legislative intent" section of the act states that the purpose of the legislation is, "to provide statements of role and mission for the state's systems and institutions of postsecondary education which will:

> "(1) Provide for a coordinated state system of postsecondary education;
>
> "(2) Provide for the maintenance and development of quality postsecondary educational programs and services for all citizens in all regions of the state;
>
> "(3) Insure student and community access to comprehensive educational programs;
>
> "(4) Limit unnecessary program and facility duplication through a coordinated planning and review process;
>
> "(5) Encourage statewide long-term academic and fiscal planning for postsecondary education in the state;
>
> "(6) Establish a legislative review process to insure that (a) role and mission statements are updated as necessary and (b) postsecondary institutions are complying with the role and mission assignments and are serving a valuable purpose to the state within their current role and mission assignments; and
>
> "(7) Provide a mechanism for (a) implementing an extensive change in the scope, role, and mission of a campus, (b) closing a campus, (c) merging campuses, and (d) changing a campus to serve a completely different public purpose." (This last paragraph was added in 1984.)

The goals for Nebraska's system of postsecondary education which have evolved from the discussions of the Citizens Commission expand upon those set forth in the Role and Mission legislation, but they are not in conflict with the statutory goals. They exhibit the same combination of high aspirations and pragmatic realism.

The primary goal of postsecondary education in Nebraska, as developed by the Citizens Commission, is to provide opportunities for the people of this state consistent with their abilities, interests, and needs, and relevant to an ever-changing economy. Inherent in this goal is the development of an informed and productive citizenry equipped with the capacity to adjust and adapt to change. To this end, our postsecondary institutions must work together to promote excellence without extravagance. Supporting this are the following goals:

1. To provide, as part of general instruction and learning, a strong emphasis on a high quality liberal arts education.
2. To assure, at all levels, the highest possible quality of education.
3. To assure that high quality vocational training is broadly accessible and reflects local and/or regional economic needs.
4. To place new emphasis on research which contributes to the development and diversification of Nebraska's economy in this era of technological change while continuing to maintain high quality programs of both basic and applied research.
5. To maintain, through outreach and extension, a system of technology transfer and a program for improvement in the quality of life.
6. To further develop the state's postsecondary institutions as cultural centers for all citizens.
7. To utilize to the fullest the state's comprehensive system of educational telecommunications.
8. To establish a network of communication, coordination, and cooperation among the various postsecondary institutions so as to permit greater effectiveness of programs and better utilization of resources.
9. To provide increased educational and employment opportunities for minorities and women.

In the realization of their goals for postsecondary education, Nebraskans must work within two serious constraints, one demographic and the other financial. Among aspects of the demographic constraints are the following:

a. Population growth is slowing and the population is aging.

b. The primary college-age group is declining and will continue to decline through the rest of the Twentieth Century.

c. Although individual institutions will be variously affected, there will be significant declines in first-time, full-time students at the state level, followed by declines in total headcount.

d. Although "non-traditional" enrollments (primarily older students) possibly will increase, they are difficult to forecast and will need to be accommodated for the most part by innovative methods and/or institutional arrangements.

Financial constraints are reflected in the following observations:

a. Nebraska's economy is projected to grow at an average rate of 3.25% through 1995. This is slightly lower than in the 1970s; even so, this projected growth rate assumes continued diversification of the economy.

b. With the continuation of the present tax rates, increases in revenue resulting from economic growth will probably be offset by inflation.

c. Although Nebraska performs well on the basis of available resources devoted to higher education (tax effort), the state lags on the basis of support per student because of a relatively high college-going rate and a much higher than average system cost.

d. State spending for postsecondary education will face increased competition from other sectors as demands continue to exceed the availability of public funds.

e. At present tuition and fee rates, declining enrollments will bring about a decline in total institutional revenues.

f. If Nebraska is to maintain its laudably high college-going rate and at the same time increase the quality of its postsecondary institutions, more effective utilization of financial resources and greater financial support will be required. A decision to raise significantly the level of investment will be necessary if the state is to participate fully in the opportunities afforded by emerging technologies. Planning, however, for the immediate future of postsecondary education in Nebraska should proceed on the basis that for general purposes (as opposed to targeted investments in specific activities, such as research) postsecondary education probably will receive little more than the present level of support from public funds.

Put simply, the challenge facing Nebraskans is to find ways to achieve their high aspirations for their institutions of postsecondary education under conditions of slow economic growth, declining enrollments, and static or possibly declining revenues from tuition and/or state support. The challenge is a difficult one, but with effort, dedication, and cooperation it can be met. The recommendations which follow are designed to help Nebraskans meet the challenge.

RECOMMENDATIONS

ACCESS

Although substantial geographical areas of the state are served directly by neither a two-year nor a four-year postsecondary institution, 95% of the state's population lives within 55 miles of a two- or four-year institution, as shown in Figure 22. Tuition charges at public institutions are reasonable when compared with charges at similar institutions in neighboring states. Women and minorities attend college in numbers that are equal to or greater than the portion of the state's population they comprise. As a whole, Nebraskans attend college at a considerably higher rate than the national average. Most Nebraskans, then, have access to some kind of postsecondary education, although in certain areas, particularly in the western and northern part of the state, the choice is limited. Nebraskans also have reasonable opportunities to obtain advanced training for the professions.

Given the projected decline in the traditional college-age population, the state would appear to have sufficient overall capacity for postsecondary education. There are still problems of access, however, particularly in the areas of geography, financial aid, and choice.

No. 1

The geographical barriers to access in the western and northern parts of the state probably can never be fully overcome. Surely it would not be cost effective to establish new institutions or significantly expand existing ones to try to do so. The outreach efforts of the University of Nebraska, the state colleges, and the technical community colleges offer promising solutions, as do cooperative efforts between and among various institutions.

The University of Nebraska, the state colleges, and the technical community colleges should be encouraged to continue and expand their cooperative efforts to extend geographic access to postsecondary education as widely as possible. Cooperative efforts with independent and proprietary institutions also should be pursued.

No. 2

The Nebraska Educational Telecommunications Network offers special opportunity, as Figure 23 demonstrates, although it has never been fully utilized. Technological advances steadily increase the potential of telecommunications as a teaching tool. Chadron State College is particularly well situated to provide access to postsecondary education in western Nebraska, and could be a much more effective link in the telecommunications network if it had program-originating capacity.

There should be a concerted and accelerated effort to expand the utilization of the Nebraska Educational Telecommunications Network to extend access to postsecondary education throughout Nebraska.

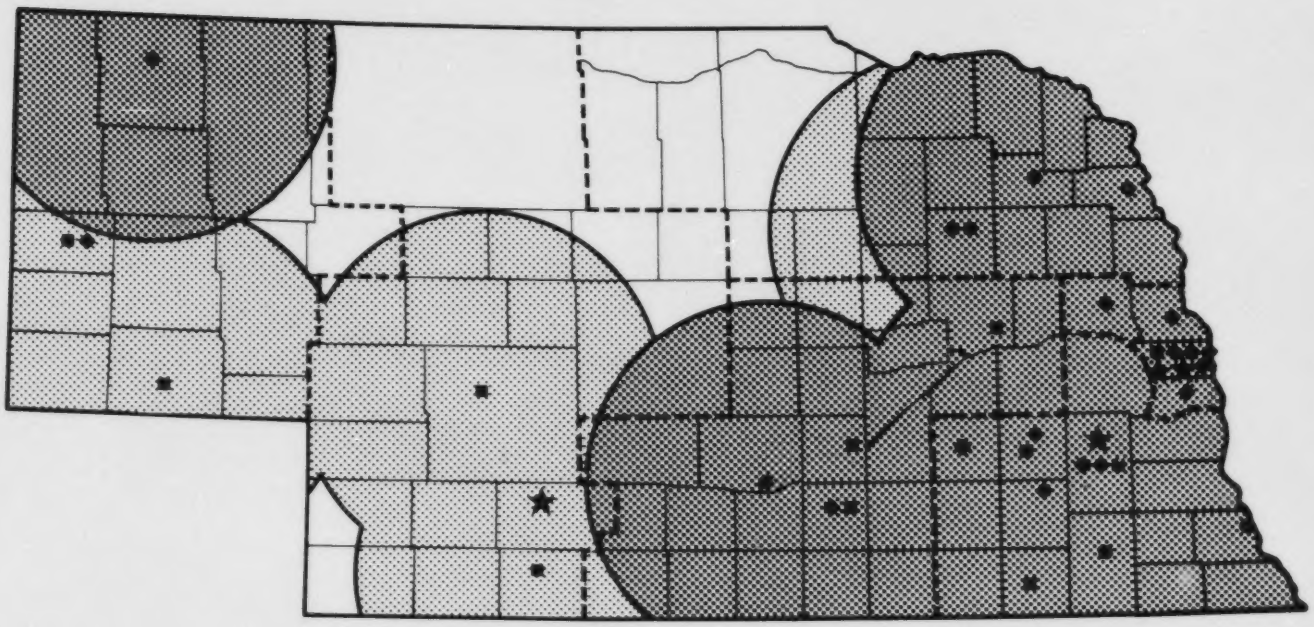
No. 3

Financial aid for postsecondary students in the United States comes primarily from the federal government, but virtually every state in the Union also provides some form of financial aid for students in postsecondary institutions, both public and private. Nebraska is an exception insofar as private institutions are concerned. Nebraska has had a State Scholarship program since 1978. This program, which has not been funded, would provide financial assistance for needy students to attend the college of their choice, either public or independent. In addition, Nebraska participates in the federal State Student Incentive Grant program (SSIG) by permitting the public institutions to use tax dollars for the required matching funds, but requiring independent institutions to provide their own matching money. Nebraska thus puts a burden on its independent institutions and the students who wish to attend them that similar institutions and students in other states do not have to bear.

The Legislature should appropriate funds to enable all institutions in Nebraska, independent as well as public, to meet the matching requirements of the federal State Student Incentive Grant (SSIG) program. The State Scholarship program, as provided for in LB 743, adopted in 1978, and amended by LB 981 in 1984, should be funded at an appropriate level, but not at the expense of current programs. The maximum award should be set at a level that does not affect the current distribution of students between the public and private sectors.

FIGURE 22

Geographical Access to Postsecondary Education

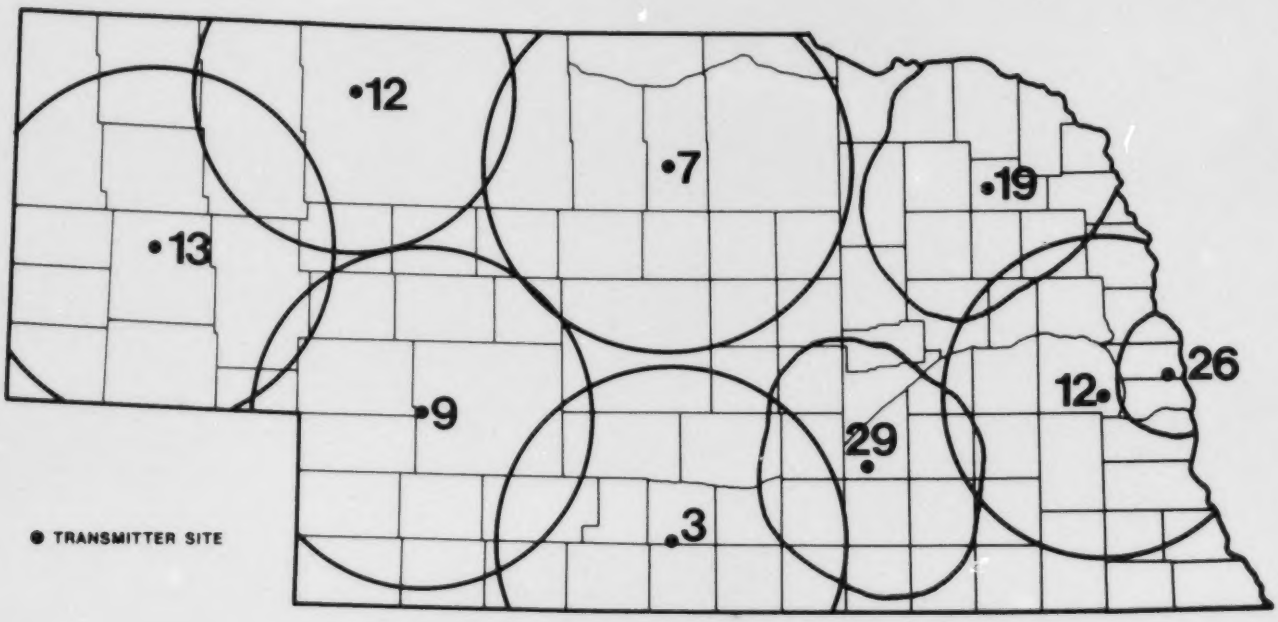


★ UNIVERSITY OF NEBRASKA
■ TECHNICAL COMMUNITY COLLEGES
◆ INDEPENDENT COLLEGES/UNIVERSITIES
● STATE COLLEGES
-- BOUNDARIES OF THE SIX TECHNICAL COMMUNITY COLLEGE AREAS

55 MILE RADIUS FROM 4 YEAR INSTITUTIONS
55 MILE RADIUS FROM 2 YEAR INSTITUTIONS

FIGURE 23

NEBRASKA ETV NETWORK



QUALITY

Quality in an educational institution is difficult to define or measure, and most of the measures commonly used deal with inputs rather than outcomes. Moreover, quality judgments frequently are based on perceptions as much as reality. Nevertheless, it is possible to make some judgments with respect to quality, and with some confidence to make recommendations for the improvement of institutional quality.

No. 4

Essential to the development and maintenance of quality is effective strategic planning. A statewide view of higher education is important and is appropriately set forth in the Role and Mission statement adopted by the Legislature. Planning for quality is primarily an institutional matter. Currently, Nebraska's postsecondary institutions all engage in planning, but none of the plans focuses particularly on quality, and none is complete with respect to specific action and monitoring components.

Prior to the submission of its budget request for fiscal year 1986-87, each postsecondary institution should be required to file a five-year strategic plan which will include but not be limited to: (a) an objective assessment (including outside reviews) of the quality of the institution's efforts to fulfill its mission as set forth in the Role and Mission statement of 1978, as amended; (b) a plan for improving the quality of institutional performance; and (c) a plan for the development of specific areas of excellence. The plan should have specific action and monitoring components.

No. 5

Legislative bodies have an understandable concern that appropriated funds are spent only for the purposes for which they are appropriated, and they dislike giving an institution a blank check. The Nebraska Legislature generally makes lump sum appropriations subject to qualifications through intent language. These do lapse at the end of the fiscal year. This discourages good management and inhibits the development of quality which can occur only over a period of years.

The Legislature each year should return to the institutions all unexpended balances with the provision that they be used to further develop institutional quality, as described in the strategic plans, with specific reference to the established areas of excellence.

No. 6

The quality of an institution is largely dependent on the quality of its faculty. An institution's ability to attract and retain high-quality faculty members depends upon a number of factors, including working conditions, tenure policies, opportunities for professional development, library and laboratory facilities, and compensation. The most important probably is compensation, and as a general rule those institutions which pay the highest salaries have the best faculties. Faculty compensation everywhere has lagged behind that paid other professions, and, in addition, Nebraska's postsecondary institutions lag behind their peers in faculty compensation. This places them at a disadvantage in recruiting and retaining high-quality faculty.

As a start toward essential improvement in faculty compensation, the Legislature should establish a challenge fund which would enable institutions to bring their salaries to the average of those paid by their peer institutions, with the understanding that the state contribution to the fund will be matched by the institution. By way of example, for every two dollars the state contributes, the institution will contribute one dollar through funds realized from reallocation and/or from non-state sources.

No. 7

Just as institutions of quality must provide working conditions and compensation that will attract and retain high-quality faculty, so must they adopt and implement rigorous standards for retention and promotion. Where appropriate, those standards should include judgments of creativity, research, and public service. In every instance there should be strong emphasis on the quality of teaching, including undergraduate teaching at all levels. Application of the standards should involve both peer and external review. The standards should be clearly understood both by members of the various academic communities and the public at large.

Institutions should develop, publicize, and implement rigorous standards of faculty performance, consistent with the mission of the institution, for retention, promotion, and salary adjustments.

No. 8

High quality students not only benefit from good teaching, but they are essential to the development and maintenance of high quality institutions. The best faculty cannot teach effectively unless their students are willing and able to learn. The presence of significant numbers of bright, well-prepared, highly motivated students is an essential ingredient of a high quality institution. Nebraska's public postsecondary institutions have been open-admissions schools, and as such they have admitted all young people who have graduated from Nebraska high schools. The postsecondary institutions, therefore, are heavily dependent upon the quality of the elementary and secondary schools of the state, and they should do everything possible to help those schools improve the quality of the students who seek admission to postsecondary institutions. The Governor's Task Force on Excellence in Education addressed the question of excellence in the schools, and we would recommend continuing attention to the Task Force's recommendations until they have all been dealt with. The state's teacher-training institutions have particular responsibilities in connection with elementary and secondary education, and we deal with those responsibilities elsewhere in this report.

In addition, and in general, postsecondary institutions set the tone for secondary schools by their admissions requirements. Nebraska's open admission policies have served the state well in times past and undoubtedly have been important factors in the state's relatively high college-going rate, but there have been costs associated with those policies — costs that are reflected in the need for postsecondary institutions to reduce their expectations of students, engage in substantial amounts of remedial work, encourage secondary schools to do a better job, or all three. The requirements of today's society simply do not permit the continuation of these costs. The University of Nebraska-Lincoln has particular responsibilities in this area. As the state's leading comprehensive institution, and one of the nation's major graduate and research universities, UN-L has special obligations for the quality of the learning experience it provides. The Board of Regents adopted new admissions policies in 1982, to go into effect in 1986, but they are minimal, particularly for an institution such as UN-L.

All of Nebraska's postsecondary institutions should develop specific competency expectations for enrolling students, and should give them wide publicity, so as to guide preparation at the secondary level. In particular, the University of Nebraska should implement and publicize the admissions standards adopted by the Board of Regents, scheduled to go into effect in 1986, and work with the elementary and secondary schools to improve the qualifications of entering students. (See also Recommendation No. 17)

No. 9

There is a growing awareness in this country of the importance of helping students develop those competencies which are essential to citizenship and which undergird effective performance in the various occupations and professions. These competencies are generally associated with a sound education in the liberal arts and sciences. Over the years there has been an increasing vocationalism and specialization of the curricula of our schools and colleges, with the result that students have been disadvantaged in their opportunities to secure a sound general education. The National Institute of Education's panel on higher education, in a recently-issued report, noted and decried the fact that "the college curriculum has become excessively vocational in its orientation, and the bachelor's degree has lost its potential to foster the shared values and knowledge that binds us together as a society." The national panel urged that all bachelor degree recipients should have at least two full years of liberal arts education even if that means extending the length of undergraduate programs in such professional fields as agriculture, business administration, engineering, pharmacy, and teacher education. Communication skills are particularly important.

Conditions in Nebraska are similar to those observed nationally, and, in addition, there seems to be a bias in many quarters against permitting the technical community colleges to teach anything but technical and vocational courses, an attitude that could seriously reduce their effectiveness. It is argued, of course, that there isn't time in the curriculum for general education. There is nothing sacred about the present amount of time set aside for earning a college degree or certificate, and there is little evidence that present curricular priorities, with their heavy emphasis on employment-specific courses, best serve the interests of students or society.

There should be a liberal arts and sciences component of all postsecondary curricula, including those of the technical community colleges. For professions which require the baccalaureate degree, the liberal arts component of the program ideally should occupy at least two full academic years.

No. 10

The quality of undergraduate instruction, particularly in the early years, is of critical importance.

Institutions should take every step to assure that freshmen

and sophomores, particularly, receive instruction of the highest quality.

No. 11

Of critical importance to the entire educational process is the training of teachers. In recent years, the nation's elementary and secondary schools have been studied repeatedly as Americans have become increasingly concerned with the quality of the education their children are receiving. A shortage of well-qualified, highly-motivated teachers is almost always identified as an important part of the problem. There are many reasons for this shortage, chief among them being salaries and working conditions. The quality of teacher training is also an important part of the problem. The standards of admission to teacher-training programs are exceedingly low and the curricula excessively vocationalized.

The recommendations for humanities and teacher education in Nebraska, prepared by the Ad Hoc Education Subcommittee of the Nebraska Committee for the Humanities, have implications for much more than education in the humanities, and, if implemented, would greatly strengthen teacher education. In addition to shortcomings in their pre-career training, teachers are also disadvantaged by a lack of opportunities for professional development during their careers. Teacher-training institutions, local school districts, and the State Department of Education all need to work together to provide teachers with more opportunities for professional development. A project being undertaken by Doane College, Chadron State College, and the Teachers College of the University of Nebraska-Lincoln offers particular promise in the area of professional development. The Nebraska Coordinating Commission for Postsecondary Education commissioned a study of teacher education in Nebraska in 1981. This study, reviewed by the Coordinating Commission in 1983, resulted in a number of thoughtful recommendations for the improvement of teacher education. Those recommendations, as reviewed by the Commission, hold great promise.

The University of Nebraska and the state colleges should revise their teacher-training programs to provide more rigorous admission standards and more adequate preparation in subject-matter fields of study; they should seek ways in which they can help teachers develop professionally during their careers. Teacher training programs should be targeted for development as centers of excellence.

EFFICIENCIES

Given the demographic and fiscal projections for Nebraska, it is evident that if the state is to have high-quality postsecondary institutions, they must be operated in as efficient and cost-effective a manner as possible. In seeking to accomplish this, it is important to keep in mind that educational institutions are not like corporations operated for profit, and that while they must be administered efficiently, efforts to manage them along a corporate model usually are counter-productive.

No. 12

From a statewide perspective, efficiencies in higher education usually revolve around the avoidance of unnecessary duplication in program offerings, and this must always be balanced by considerations of access. In Nebraska, the coordination required to avoid unnecessary duplication has been provided directly by the Legislature through role and mission statements and the budgetary process. Essential to successful coordination is the development of a uniform data base and information system, and the Legislature has sought to do this through the Nebraska Educational Data System, called NEEDS. This differs somewhat from the national HEGIS-driven information system used by the Nebraska Coordinating Commission for Postsecondary Education, and the existence of two statewide data bases causes some confusion.

An essential tool both for successful coordination and the

maintenance of quality is program review. With LB 981, enacted in 1984, the Legislature directed each public governing board to undertake a comprehensive process of program review. The Coordinating Commission is to supervise the process, and submit both the results and its recommendation to the Legislature. The Legislature's Appropriations and Education committees are to "take affirmative action to accept or reject the recommendation of the [commission] and shall communicate such action to the commission. The commission shall in turn communicate such action to the appropriate governing board." The law goes on to say, "Notwithstanding such recommendation, the governing board of each institution shall retain the right to continue, modify, or discontinue all instructional programs under such governing board's control." Although the Legislature can always enforce its will, to a degree, through the appropriations process, no mechanism exists to carry out the recommendations which are designed to improve coordination.

The Legislature should provide a mechanism for implementing the recommendations growing out of the program reviews, consolidating the state's educational data bases, and effecting other measures designed to provide effective coordination among sectors (including transfer of credits), to improve institutional efficiencies, and to enhance state-wide policy coordination (See also Recommendation No. 28).

No. 13

A matter of particular importance, with reference to efficiencies and coordination, is education for the health professions. Costs are high — a look at the University of Nebraska's budgets will show that much of the increased funding made available to the institution in the past several years has gone to the Medical Center — and in some areas, notably dentistry and pharmacy, demand is declining. Nebraska still has some shortages of physicians and other health-care professionals, but the shortages are primarily the result of maldistribution rather than shortages in total numbers. Even so, it is estimated that at the present rate of production, Nebraska will have solved its physician supply problem by about 1990.

Education for the health professions is concentrated in Omaha, and with the exception of certain nursing programs, is provided entirely by the University of Nebraska Medical Center and Creighton University. Nebraska does not need the total capacity of both institutions to supply its needs for health care professionals. Creighton's constituency is not limited to Nebraska, although Omaha constitutes its major source of private support. Adding further to the imbalance in need versus capacity is the fact that Omaha is substantially oversupplied with hospital beds.

Over the years, the two schools have made sporadic attempts to cooperate, but relatively little sustained activity has resulted. Admittedly, it is difficult for a public and an independent institution to work together in many areas, particularly in Nebraska where the tradition of separation between the private and public sectors in education is especially strong. The question remains, however: can Creighton, the University of Nebraska, the city of Omaha, and the State of Nebraska continue to maintain the present configuration of facilities for education for the health professions and for health care? It is a question that needs to be addressed by a broadly representative group of leading citizens, but it is of immediate concern to Creighton and the University of Nebraska.

The presidents of Creighton University and the University of Nebraska should immediately initiate conversations looking to the closest possible cooperation in the delivery of education for the health professions, and in providing the health care associated with such activity. These conversations should be preliminary to the creation of a broadly representative task force to deal with obstacles to cooperation.

No. 14

As is true of education for the health professions, the costs of all professional education continue to rise, and the demand for graduates in some areas is levelling off or declining. In the areas of professional education, coordination should be thought of as extending beyond the boundaries of the state to the region. Again, interstate cooperation in educational activities is difficult. The University of Nebraska, however, has been a leader among the universities of the Midwest in seeking ways in which institutions can cooperate, and some cooperative activities have resulted from these efforts. The Mid-America State Universities Association, which operates a number of joint programs, is one such example; the Mid-America International Agricultural Consortium, in which the participating institutions work together in international training, research, and development programs, is another.

The University of Nebraska has arrangements for the exchange of students in certain programs with the University of Missouri, and to a lesser extent with the University of Kansas and Kansas State University. In the Missouri program, for example, Nebraskans may enroll at instate fees in mining and veterinary science at the University of Missouri, and Missourians may enroll on the same basis in architecture and actuarial science at the University of Nebraska. Likewise, graduate students from each institution may enroll for special courses at the other without additional payment.

Wherever possible, Nebraska's educational institutions should seek to cooperate with those of other states in the region, particularly in offering high-cost graduate and professional programs.

No. 15

Strategic planning to maintain and enhance institutional quality is discussed elsewhere. It is relatively easy, of course, to plan for quality if there are no fiscal constraints. It is clear, however, that Nebraska's postsecondary institutions must plan to operate for the foreseeable future under conditions of declining enrollments, or at least no growth, and rather severe fiscal constraints. Generally, quality will need to be maintained and enhanced through a redirection of resources.

In addition to institutional planning, it is important to provide for a statewide focus. Nebraska's total public educational system is relatively expensive because of the comparatively high level of enrollment in four-year institutions. If efficiencies are going to develop, attention will need to be given to the possibility of shifting enrollments from more expensive to less expensive institutions. Declining enrollments provide an opportunity for policy changes which are designed for shifting enrollments whenever educational goals can be met in a less expensive institution, particularly for programs which are not dependent on graduate faculty and advanced research facilities and support services.

The strategic plans for increasing the quality of higher education should be developed with particular attention to the fact that they must be implemented under conditions of first, stable or declining enrollments and second, state support in which increases will come chiefly for new programs that commend themselves and also as priorities may result from shifting educational dollars.

No. 16

Increasingly, state institutions must look beyond the state for financial support: to students and their parents for higher fees, to the private sector, both individuals and corporations, for gifts and grants, to the federal government, for grants and contracts.

Tuition policy is becoming a matter for growing concern. Traditionally, public institutions have operated on the theory that the public interest is best served by maintaining tuition as low as possible at public institutions on the assumption that low tuition facilitates access and on the further assumption that citizens support public institutions through their taxes, and thus should have the benefit of sending their children to those institutions at relatively low cost.

With the advent of widely available, need-based student aid, low tuition in public institutions may not be the most efficient way to assure access, and there is relatively little evidence to support the validity of the claim that an individual citizen's tax payments come close to offsetting the cost of providing a student with educational opportunities at a public institution. Moreover, the low-tuition policy creates a tuition gap between the public and independent institutions which puts the latter at a distinct disadvantage. Nebraska has followed the national pattern with respect to tuition policy, and generally tuition at Nebraska's public institutions is about at the national average. When compared with peer institutions, however, Nebraska tuitions, except for those at UNO, are below the average of the peer groups.

Nebraska policy regards tuition receipts as cash funds which may be used to offset appropriations from the general fund. This generally does not encourage institutions to seek additional support from tuition, because increases become replacements for, rather than additions to, state funds. The Nebraska Coordinating Commission for Postsecondary Education has just completed a detailed, thoughtful study of tuition policy. Its recommendations provide the basis for developing a tuition policy for the state.

Aside from tuition, state policy appears to insure that institutional revenues are not used to offset state suppport.

(a) The Nebraska Coordinating Commission for Postsecondary Education should pursue its current study of tuition policy to the point of recommending more specific guidelines for the development of a state policy.

(b) In general, the Legislature should continue to encourage public postsecondary institutions to seek non-state revenues wherever possible.

No. 17

It is part of the common wisdom that out-of-state students should pay considerably higher tuition than residents, and ideally, they should pay the full cost of instruction. It is true that to eliminate or even substantially reduce out-of-state tuition could decrease revenues available for the support of postsecondary institutions. In times of declining enrollments, however, it might be worthwhile to encourage students of extraordinarily high ability from other states to attend Nebraska institutions by waiving out-of-state tuition. This would have to be on a limited, experimental basis, and great care would have to be taken to assure that the students were genuinely of high ability.

The University of Nebraska-Lincoln would probably be the most affected, and the admission requirements for such students would have to be much higher than the proposed general admission standards for the University of Nebraska. The only students considered should be truly "honor students." This could enhance the student body and broaden the experience of Nebraska residents. It could contribute to a reversal of the "brain drain" from which Nebraska is suffering. The incremental costs would be relatively modest.

On an experimental basis, students of high ability from other states should be permitted to enroll in Nebraska's

public postsecondary institutions without paying out-of-state tuition.

No. 18

The achievement of efficiencies requires a high degree of institutional flexibility, something which most public colleges and universities do not have. The principal reason for the lack of flexibility is the fact that by far the largest item of expenditure is for personnel and that, in most baccalaureate colleges and universities, there exists a substantial cadre of senior faculty members with tenure. The tenure system, as it has developed in the United States, is a major source of the strength and quality of our colleges and universities, and any effort to abandon or seriously modify it in the name of efficiency or flexibility would be highly counter-productive. At the same time, during periods of declining enrollment, the system seriously impedes the renewal of the faculty through the addition of junior members and the redirection of resources from low demand to high demand areas. A number of public institutions throughout the country are experimenting with arrangements which encourage some senior faculty to retire early. These arrangements do require some front-end expenditures, but they do prove to be cost effective, and the payback occurs over a relatively short period of time.

To assist in providing for faculty renewal and institutional flexibility in a time of declining or changing enrollments, institutions should develop additional plans to encourage voluntary early retirement of senior faculty members.

No. 19

On the other side of the coin, retired persons offer much potential for enhancing and enriching the faculties of postsecondary institutions through part-time employment. The utilization of such persons should be on a limited, selective basis and not as a substitute for the development and maintenance of a full-time professional faculty.

Postsecondary educational institutions should seek to make appropriate use of retired persons wherever possible, consistent with the maintenance of essentially full-time faculties of high quality.

No. 20

Finally, in the area of efficiencies, consideration should be given to the important matter of physical facilities. Generally, Nebraska's postsecondary institutions have reasonably adequate physical facilities, at least in terms of square footage. Many buildings have suffered over the years from the lack of regular funds for their repair, maintenance, and rehabilitation. Although there is no need for new construction of general classroom and laboratory space, needs exist in a number of institutions for highly specialized facilities. Occasionally, there is an opportunity to secure non-state funds for part of the construction, such as is the case with the proposed Lied Center for the Performing Arts at the University of Nebraska-Lincoln, which would provide a multi-purpose facility not only for bringing major performances to Lincoln, but which also would serve as a state-wide facility. In any event, it is important that requests for new construction be fully justified in connection with the role and mission of the institution. An improvement in techniques being used to document physical facility needs would facilitate these justifications.

In the area of physical facilities, emphasis should be placed upon the maintenance, repair, and rehabilitation of existing structures rather than on the construction of new facilities, except that new construction should be supported where there is need for a specialized facility, fully justified within the role and mission of the institution.

THE ECONOMY - QUALITY OF LIFE

To an ever increasing extent education is coming to be recognized as the key to economic growth and development. Although there are specific ways in which educational institutions can directly assist economic development, the overall quality of the educational system is of greater importance than any specific measure. Economic development today is heavily dependent upon science and technology, and a survey of the areas which are exhibiting the most rapid development — areas such as Route 128 in Boston, Silicon Valley in California, and the Research Triangle in North Carolina — will show that without exception they are characterized by the presence of high quality educational institutions and particularly by the presence of one or more high quality research universities. For that reason, the recommendations offered under "Quality" are of particular importance to "The Economy." There are, however, specific steps which Nebraska could take to make its postsecondary institutions more effective as agents of economic development than they are at the present time.

No. 21

Business and economic forecasts generally agree that Nebraska's economic development in the future will be heavily dependent upon the degree of diversification it is able to achieve. Diversification is occurring, and more will come about simply from the dynamics of the marketplace. Intervention in the process, however, can change both the rate and nature of the diversification. The key to diversification is research, both basic and applied, and it would be in the state's interest to encourage research which is directly related to the economic development of the state, although it should be recognized that in the long run "new ideas" are more important than industrious application of old ones. Emerging technologies are not confined to the "high-tech" communications revolution but are applicable in virtually all endeavors.

In this context it is important to remember that research is a significant investment that provides ongoing returns and dividends. Quality research and graduate studies are linked and can be the basis of future economic opportunity for the state. This requires a focused commitment on the part of the state, its people, and its postsecondary institutions. That commitment can best be expressed by the development of a mechanism through which the state can enhance its research efforts by increased funding, greater public awareness, long-range planning and the coordination of research efforts. In addition, it is important that such a mechanism facilitate the production and marketing of the results of innovation and research.

To support research and innovation, the Legislature should authorize the creation of a Research and Development Corporation, governed by a board composed of representatives of postsecondary education, business, industry and government, to perform the following functions:

(a) Long-range, strategic planning for research and development, with special attention to future-oriented activity.

(b) The development of mechanisms for integrating the state's research efforts and economic development.

(c) The promotion of an awareness of the importance of research and its relationship to the state's economic development.

No. 22

The state's principal advanced research efforts are and should continue to be concentrated at the University of Nebraska, particularly the University of Nebraska-Lincoln and the University of Nebraska Medical Center. In addition, the following recommendations are advanced specifically for the University of Nebraska.

(a) In the development of centers for excellence at the University of Nebraska (see Recommendation No. 4), particular attention should be given to those areas in which important research activities already are underway, such as agriculture, medicine, chemistry, engineering, and the life sciences.

(b) Every effort should be made to provide an environment conducive to the attraction and maintenance of a quality staff, including adequate compensation, the recognition of research in the establishment of work loads, and the provision of superior library and laboratory facilities, plus individual research support. This environment should be provided for faculty in the arts and humanities as well as the sciences.

(c) The University should review its research programs to assure that they are being kept responsive to the diverse needs of the state.

(d) The University should review its patent and consulting policies to assure that they provide appropriate incentives for faculty members to conduct research and participate in economic development activities.

No. 23

In any endeavor it is always helpful if developments can build on existing strengths. Nebraska has great strength in the field of educational technology, and through the leadership provided by Nebraska Educational Telecommunications, Nebraska could become a leader in this rapidly developing field. AGNET and the Nebraska Library Commission's statewide computer network represent related examples of Nebraska's leadership in the communications field. Two entities created in 1984 — the Educational Technology Consortium (LB 994) and the Telecommunications and Information Center (LB 1125), both of which are based in state government — give further evidence of the state's interest in capitalizing on new developments in this area. In addition, a vehicle is needed to encourage research in educational technology and the development of businesses which produce and market educational and training materials, particularly computer-related courseware which uses the special attributes of the interactive video disk, the telephone, television, and satellite communications. Although the effort necessarily should be centered at the University of Nebraska, the activity could and should engage the participation of the state colleges and the community colleges. Such activity should complement ongoing efforts of the new Educational Technology Consortium, which is primarily directed toward elementary and secondary education, and of the new Telecommunications and Information Center, which is charged with assessing opportunities for the development of information technology which will benefit the economy of the state.

The state should establish and fund a Center for Educational Technology at the University of Nebraska to do research in educational technology, and encourage the development of businesses which produce and market educational materials which utilize advanced communications technology.

No. 24

In addition to research and innovation, one of the basic requirements for economic development and the creation of new jobs is training. Opportunities for training and retraining are particularly important to workers whose skills are no longer needed. New and expanding businesses frequently need training tailored to their specific requirements. This is the kind of training which the technical community colleges can and do provide. Increasing their ability to furnish customized training for specific industries would be a sound state investment.

The state should mobilize and seek to increase the funds available for job-related training, with specific emphasis on making funds available to the technical community colleges to enable them to provide customized job training for specific industries.

No. 25

A well-established and effective system for spreading the results of University research across the state has been developed through Extension. Historically, Extension has served agriculture as its first responsibility. In recent years there have been efforts to broaden Extension to include service to business, industry, community and cultural life, although agriculture remains its first responsibility as it should be.

The role and mission of Extension at the University of Nebraska should be reviewed to assure that the benefits of Extension are being made available to business, industry, and community and cultural life as well as to agriculture.

No. 26

Teacher training is discussed elsewhere, and the entire area is of importance to the economy and quality of life. Science and mathematics are of special importance to the economy, and the shortage of highly-qualified teachers of mathematics and science calls for special efforts in these areas.

The University of Nebraska, the state colleges, and the State Department of Education should work together to increase both the quality and quantity of elementary and secondary school teachers of mathematics and science. (See also Recommendation No. 11.)

No. 27

Nebraska has a number of entities other than schools, colleges, and universities which contribute to the quality of life and which can contribute to the educational process — museums, arts councils, cultural organizations, and historical societies. Also, the University of Nebraska-Lincoln and, to a lesser degree, other campuses have museums, galleries, and cultural programs which greatly enrich the lives of both students and the general population. Moveover, they provide significant attractions to persons who are considering the location of new industry in the state. All too often they are inadequately supported. A particular case in point is the Nebraska State Museum (Morrill Hall) at the University of Nebraska-Lincoln. The collections are of international importance and represent one of the state's great treasures. Unfortunately, the collections are deteriorating because of inadequate temperature and humidity controls and are not being utilized to the fullest because of the condition of the facility and the level of operating support.

Postsecondary institutions should cooperate wherever possible with off-campus cultural organizations, and should seek to support their own museums, galleries, and cultural programs as part of the regular, on-going activities of the institutions. In particular, the Nebraska State Museum (Morrill Hall) at the University of Nebraska-Lincoln should be provided with immediate and substantial increases in support.

GOVERNANCE

A change in the system of governance does not in itself insure improvement or that goals will be magically attained. The quality and devotion of the people on the governing board will determine whether or not the system is successful. Nevertheless, experience in other states has shown that a relatively high level of state-wide coordination and planning facilitates the effective operation of postsecondary institutions.

No. 28

That system in Nebraska provides for neither a state-wide governing board nor a coordinating board with at least the authority to make program and budgetary recommendations. In a very real sense, the coordinating function in Nebraska is carried out by the Legislature, acting through the appropriations process and through special legislation, notably the Role and Mission Act of 1978, LB 756, and subsequent modifications. With LB 981, enacted in 1984, the Legislature

directed each public governing board to undertake a comprehensive process of program review. (See p. 39) LB 981 also provides that, "No new program of instruction shall be offered which has not been identified by the appropriate governing board as meeting a specific need of the state or a specific area or region of the state." Finally, LB 981 states that the Legislature intends to "provide a mechanism for (a) implementing an extensive change in the scope, role, and mission of a campus, (b) closing a campus, (c) merging campuses, and (d) changing a campus to serve a completely different purpose."

The Legislature, thus, has established a policy for substantial coordination of Nebraska's system of postsecondary education and has stated that it will "provide a mechanism" for carrying out that policy. There is no question that Nebraska needs a mechanism that can provide for effective long-range planning for postsecondary education on a state-wide basis if it is to deal effectively with the issues facing its educational system.

A mechanism that would go far toward achieving the Legislature's intent could be created by combining the University of Nebraska and the state colleges into one institution. A single governing board would provide the mechanism to achieve legislative intent with respect to the public institutions which grant the bachelor's degree and above. The way would be cleared for institutional planning which would differentiate among the campuses, avoid unnecessary duplication, and utilize to the fullest the resources made available to the institution. While both the Board of Regents of the University of Nebraska and the Board of Trustees of the Nebraska State Colleges are constitutional bodies, the Board of Regents is the logical group to assume this state-wide responsibility in view of its longstanding association with comprehensive, state-wide university programs.

The four state colleges should be transferred to the Board of Regents of the University of Nebraska.

No. 29

With responsibilities for a state-wide institution, it would be essential that the members of the Board of Regents have state-wide rather than local or regional loyalties. There is no way to assure this, of course, but the present system of electing members of the Board of Regents tends to emphasize local rather than state-wide concerns. Moreover, the complexities of college and university governance are such that the state should not have to limit its choice of board members to persons who are willing to subject themselves to the expense and the ardors of a political campaign. Although the Board of Regents should have a state-wide perspective, its membership should be broadly representative of all sections of the state. The board should possess continuity as well as capacity for change, and the terms of individual members should not correspond to those of the appointing authority. The board should have the benefit of student advice on a regular basis. It would also be desirable for the Board of Regents of the restructured University of Nebraska to have some means of receiving advice and counsel from interested citizens with respect to each of the campuses.

At this time, no change is suggested in the duties and responsibilities of the Nebraska Coordinating Commission for Postsecondary Education — its responsibilities would remain to study and advise, together with the administration of student aid and other state-wide programs — but its membership would need to be adjusted to reflect the changed structure of postsecondary education.

No change is suggested at this time in the governance arrangements for the technical community colleges. A state-wide board would have much to recommend it, but there are constitutional problems which transcend postsecondary education in establishing state-wide authority over institutions supported by the property tax. The role and mission of each of the technical community colleges are essentially local, and they should be responsive to local concerns. Furthermore, the Nebraska Technical Community College Association, acting as the representative of the six area boards, has served as a *de facto* state board in recent years. Although no recommendation is made, the question remains as to whether more state-wide coordination is needed in view of the technical community colleges' use of state funds for academic instruction.

The Board of Regents of the University of Nebraska should be composed of nine persons (three from each congressional district) appointed by the Governor, with the advice and consent of the Legislature, for terms of six years, provided that the terms are staggered so that three expire every two years. In addition to the foregoing, the Governor should appoint annually, for one-year terms, three students, not more than one from any campus of the University. The Board of Regents of the University of Nebraska should appoint an advisory board for each of the University's campuses.

No. 30

The Board of Regents, as a constitutional body, would have the authority necessary to fulfill its responsibilities for the governance of the restructured University of Nebraska and all of its campuses. The Regents necessarily will exercise that authority in accordance with their best judgment. The following principles are particularly recommended.

(a) **The Regents should seek wherever possible to reduce and/or eliminate unnecessary duplication in program offerings, and in all of the operations of the University of Nebraska seek to take full advantage of the fact that all**

campuses and units are part of a single institution, recognizing that diversity is an important part of a statewide institution. (UNO for example has a specific urban mission.)

(b) The Regents should take particular pains to assure that the University of Nebraska has the most efficient possible administrative and business management, maximizing the advantages of a large institution wherever possible, including particularly such areas as purchasing, cash management, and computing.

(c) The role of the University of Nebraska-Lincoln as the major comprehensive campus of the system — with unique responsibilities for research, advanced professional and graduate education, and extension — should be maintained and strengthened.

APPENDIX A: A WORD ON COSTS

By James C. Olson

Some of the recommendations in this report will require few or no additional expenditures, and some will result in cost savings or cost avoidance in the future. There is no question, however, that some of the recommendations will require substantial additional expenditures to be fully implemented. The Commission had neither the time nor the staff to undertake a detailed cost analysis of the recommendations. That should be left to appropriate budget officials in the institutions, the Executive Branch of state government, and the Legislature. As an aid to such analysis, the following comments are presented with respect to those recommendations which would require substantial additional expenditures, from new money or from a redirection of existing resources. (The numbers correspond to the recommendations as numbered in the text.)

No. 2. Expanding the use of the telecommunications network would involve greater utilization of facilities already in place, although if a decision were made to provide program initiation capability at Chadron, substantial capital and operating costs would be involved.

No. 3. It is estimated that fully matching SSIG for fiscal year 1985-86 would require approximately $600,000. With respect to providing state scholarship support for needy students in all postsecondary institutions, the Coordinating Commission three years ago estimated total unmet need at $15,000,000. The state could not be expected to meet this total need, but if the scholarship program were to be funded, a recurring cost of $2-$5 million probably would be required to make the program effective.

No. 6. The immediate costs of the compensation challenge fund would depend upon how rapidly the state and the institutions wish to bring salaries to the average of the peer institutions, and on salary movement in peer institutions. Also, the costs in new money would depend upon the portion of the total the institutions would provide from reallocation and/or non-state sources. By way of example, it would require approximately $3,200,000 to bring UN-L salaries to the average of the AAU Land Grant universities. Lesser amounts would be required for other institutions.

No. 17. There would be some loss of tuition revenue if out-of-state honor students were permitted to enroll without paying out-of-state tuition, but it is difficult to assign a net cost of the activity, because it is assumed that the students in question would not require additional facilities or an increase in operational costs beyond what would be required for residents. This is based on the assumption that the students would be occupying spaces which would be vacant because of enrollment declines. Moreover, the volume of the activity could be controlled on an annual basis and, in many cases, the reduced rate would apply only to a student's first year since resident status may be achieved after 180 days.

No. 18. Plans to encourage voluntary early retirement are designed to reduce costs as well as increase flexibility, and the experience of institutions which have such plans tends to bear this out. It should be kept in mind, however, that there are initial one-time costs. These vary with the amount of the inducement and the percentage of participation. At the University of Nebraska-Lincoln, for example, it is estimated that if the plan became available for faculty members age 62 and above, with a 120% payment as inducement, and with 25% participation, the initial year's cost would be approximately $560,000. The annual salary savings, starting with the second year, would be approximately $940,000.

No. 20. Placing emph sis on the maintenance, repair, and rehabilitation of existing structures rather than on the construction of new facilities is designed neither to save money nor to increase expenditures, but to preserve vital assets. The ultimate cost, of course, would depend upon decisions with respect to the construction of new facilities and the level of maintenance.

No. 21. The existence of a Research and Development Corporation in and of itself would not necessarily require large operating expenditures — probably not more than $150,000-$200,000 annually. To be effective, however, the Corporation should have at its disposal funds for the support of research related to economic development and for the encouragement of new, innovative business ventures. Based on experience in other states, the sum of $500,000 annually for research and $500,000 for innovative ventures would be optimum.

No. 22. Although it is assumed that the University of Nebraska will build on existing strengths in the development of centers of excellence, there is no question but that additional funding would be required. Some of this possibly could be provided through the redirection of existing resources, but it is doubtful that such a program should be undertaken without providing new resources amounting to approximately $250,000 per year per program. To bring UN-L library support up to the average of that provided the members of the Association of Research Libraries, of which the UN-L library system is a member, would require approximately $3,000,000.

No. 23. The establishment of a Center for Educational Technology would require a substantial investment, although it is possible that part of this could be recovered through the business-related activities of the Center.

No. 24. Some additional support could be necessary to enable the technical community colleges to provide more

effective customized job-training, but the emphasis here is upon the mobilization and more effective use of existing resources.

No. 26. It is difficult to assign costs to the improvement of secondary school instruction in science and mathematics, although at a minimum $250,000 a year should be made available for the effort.

No. 27. It is estimated that needed capital improvements to Morrill Hall would require a one-time investment of $3,900,000.

APPENDIX B:
PEER INSTITUTIONS

UNIVERSITY OF NEBRASKA PEER INSTITUTIONS

University of Nebraska-Lincoln

Purdue University
University of Minnesota-Twin Cities
Ohio State University
University of Illinois-Urbana
University of Wisconsin-Madison
Michigan State University
Iowa State University
University of Missouri-Columbia
Pennsylvania State University
University of Maryland-College Park

This peer group, selected by the Board of Regents, comprises Land Grant institutions that are members of the American Association of Universities.

University of Nebraska at Omaha

South Dakota State University
Southwest Missouri State University
Central Missouri State University
University of Northern Iowa
Wichita State University
Cleveland State University
University of Central Florida
University of New Orleans
University of Texas-El Paso

This peer group was established by the Nebraska Commission on Industrial Relations.

University of Nebraska Medical Center

University of Oklahoma
University of Colorado
University of Iowa
University of Missouri-Columbia
University of Kansas

This represents a group of peers approved by the Board of Regents.

NEBRASKA STATE COLLEGE SYSTEM FACULTY REFERENCE GROUP

Colorado

Adams State College
Fort Lewis College
Western State College
University of Southern Colorado

Iowa

University of Northern Iowa

Kansas

Emporia State University
Fort Hays State University
Pittsburg State University

Minnesota

Bemidji State University
Mankato State University
Southwest State University
Moorhead State University
Saint Cloud State University
Winona State University

Missouri

Southeast Missouri State University
Northeast Missouri State University
Northwest Missouri State University
Southwest Missouri State University
Kansas City Kansas Community College

South Dakota

Northern State College
Dakota State College
Black Hills State College

This reference group was established through discussions of the Board of Trustees and Faculty representatives.

TECHNICAL COMMUNITY COLLEGES PEER GROUP

Colorado

Community College of Denver-Auraria
Community College of Denver-Red Rocks

Iowa

Hawkeye Institute of Technology
Indian Hills Community College
Iowa Central Community College
Iowa Western Community College
North Iowa Community College
Scott Community College
Southeastern Community College

Kansas

Butler County Community College
Hutchinson Community College
Kansas City, Kansas Community College

Wyoming

Casper College
Laramie County Community College

This peer group, identified for the Nebraska Coordinating Commission for Postsecondary Education by the National Center for Higher Education Management Systems, represents a subset from surrounding states of a set of 227 public two-year institutions with an enrollment of 1,500 to 3,000.

APPENDIX C:
MAJOR COMMISSION STUDIES

Stauss, Connie. *Economic Profiles*, July, 1984.

_____. *Prospects for Enrollment*, August, 1984.

_____. *Future of Higher Education in Nebraska: Demographic Change, Socioeconomic Trends, and Enrollment Prospects*, August, 1984.

University of Nebraska-Lincoln, College of Business Administration, Bureau of Business Research. *Economic Projections 1984-1995*, October, 1984.

Copies of the above reports may be obtained from the Commission office, 727 Terminal Building, 10th and O Streets, Lincoln, NE 68508, Tel. (402) 476-7880.

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THE CHALLENGE

NEWSLETTER OF THE CITIZENS COMMISSION FOR
THE STUDY OF HIGHER EDUCATION

No. 5 June 13, 1985

Commission Holds Final Meeting:

The Citizens Commission for the Study of Higher Education held a final session June 13, 1985, to assess their study, review implementation progress, and write a "final chapter" in the form of a short statement calling for continued attention to a well focused, carefully coordinated, high quality system of higher education that can meet Nebraska's future needs. Governor Kerrey addressed the group and called for continued action on higher education priorities. Before closing, the group adopted a final statement pointing to unfinished business and calling for the creation of an ongoing higher education advocacy and oversight group.

A summary of implementation status and the text of the final statement of the Commission are attached. Additional copies of the report "Toward the 21st Century" and statement can be obtained from the Governor's Policy Research office. Its address is P.O. Box 94601, Lincoln, NE 68509-4601. The telephone number is (402) 471-2414.

Citizens Commission for the Study of Higher Education

Concluding Impressions

June 13, 1985

The Challenge for Nebraska

> [T]he challenge facing Nebraskans is to find ways to achieve their high aspirations for their institutions of postsecondary education under conditions of slow economic growth, declining enrollments, and static or possibly declining revenues from tuition and/or state support. (Toward the 21st Century. Report of the Citizens Commission for the Study of Higher Education in Nebraska, December, 1984, p. 32.

The past six months have dramatized the significance of our challenge to the state. Higher education in Nebraska is undergoing significant change, a condition which is likely to mark the remainder of this decade. The outcome unquestionably will shape the future of Nebraska. As this ad hoc Citizens Commission retires from the scene, we, its members, remain firmly convinced that our fellow citizens are up to the challenge.

As we stated in our report, "The challenge is a difficult one, but with effort, dedication and cooperation, it can be met." We Nebraskans must, therefore, have a collective vision of the possibilities and opportunities, as well as an awareness of the limits and pitfalls, that lie ahead. The goals and constraints summarized in our report, Toward the 21st Century, are offered as a basis for that vision and awareness. Our thirty recommendations, addressing issues such as access, quality, efficiencies, the economy/quality of life, and governance, in turn provide a general agenda for progress through orderly change. The goals and constraints, together with a summary of implementation progress on the recommendations, are attached.

Additional Forces of Change

Some readers have observed that our report and our supporting demographic studies give comparatively little attention to "non-traditional"

students--those who enter or re-enter postsecondary education after their mid-twenties. We agree wholeheartedly that more data on non-traditional students, especially enrollment projections, are needed. We must caution, however, against using the likelihood of increased non-traditional enrollments as an excuse for not confronting the reality of declining "traditional college age" enrollments.

Others have noted that Toward the 21st Century does not confront the issue of education in business and industry--"the corporate classroom," as it is called in a new Carnegie Foundation special report. Business-based education unquestionably is a growing phenomenon, although probably less in Nebraska than in more urbanized parts of the country (estimates of total annual expenditures for employee training range from $40 billion upward for the nation). Communications systems breakthroughs also point to greater opportunities for self-instruction (at home, at work, or at some community facility). Both developments call into question the notion that our two and four-year colleges and universities (public and private) have a monopoly on the learning business.

At present, public attention here in Nebraska is riveted on the extremely tight budgetary context of our institutions, and justifiably so. As an advocacy group for educational opportunity and quality, we on the Citizens Commission are seriously concerned about the nature of very small appropriations increases for most of our public institutions of higher learning, and the relationship of the process by which they were achieved to the long-range educational needs of the state. We emphasize again the urgent need for strategic planning that is both realistic and farsighted, at the institutional and state levels. In the long run, however, the new

factors cited above--changing population characteristics, growing demands for lifelong learning opportunities, the emergence of new delivery structures and new technologies for learning--are the variables which truly "threaten" postsecondary education as we know it today. It is how we view and prepare for those fundamental changes in the education process itself that will determine whether they remain threats or become opportunities.

Whither Higher Education in Nebraska?

The substance, structure and funding of postsecondary education are as lively topics of discussion today as ever in this state. This is an encouraging sign. On the other hand, we are concerned about the absence of a vibrant collective vision for guiding Nebraska's higher education system through a difficult present and an uncertain future.

Three essential components of such a vision are missing. The first is an emphasis on learning and development opportunities for individuals. The second is an emphasis on higher education as an investment by the state and the business community. The third is an emphasis on a dynamic system of postsecondary education.

Educational opportunities for Nebraskans, both younger and non-traditional students, must become a higher concern for state and institutional decision makers. Institutional priorities must not overshadow the needs of students, researchers, and citizens in general. Our campuses, programs and public service activities exist to serve the people of this state and, by extension, of our nation and planet.

Second, higher education must be perceived as an investment--perhaps the key investment--for Nebraska's future well being. It is upon the

capacity of our people for thinking, for learning new technical skills, for acquiring new knowledge, and for developing new products and processes, that the state depends. This will become even more critical as the rates of techno. ɔgical, economic and social change accelerate. It is most unfortunate, therefore, that this investment is generally treated as a mere extension of current operations, with little attention given to strategic choices and long-range returns.

The third missing ingredient for a guiding vision is the concept of higher education as a system, an organic whole. Far too much energy continues to be expended protecting and promoting the interests of individual sectors, institutions and campuses. Issues are discussed and momentous choices are made in terms of whether institution X will gain and institution Y will lose. Partnership and cooperation are sadly lacking in this parochial atmosphere. Far too little value is placed in an integrated, coordinated enterprise which includes a strong state university, strong state colleges, strong independent colleges and universities, strong technical community colleges, and strong private vocational schools.

A Call for Action

With all due respect, we believe higher education is too important to be left to institutional and state government leadership alone. Broad-based public concern is desparately needed--not to serve as cheerleaders for institutional agendas but as advocates for higher education as a high-priority state function.

Of course, support groups for our fine campuses, programs and institutions perform an important service, just as they reflect justifiable

pride in their respective traditions. What is missing is an advocacy and public oversight group for the postsecondary learning, research and service enterprise as a whole. Such a group must transcend turf boundaries and must be genuinely rooted in Nebraska's diverse citizenry. It would be uniquely situated to stimulate coordination among sectors and institutions, to encourage cooperation with other states, and to promote a unified, multi-year budget request.

We take this opportunity, therefore, to urge Governor Kerrey to appoint an ongoing Nebraskans for Higher Education committee. The group should be privately funded. In the course of our study and of the ensuing public education effort we have come across many individuals whose dedication to quality learning, training, research, and service opportunities transcends their affiliation with a particular Nebraska (or out of state) institution. We have also found that many of our private citizens, businesses and charitable organizations are looking for ways to play a constructive role shaping a comprehensive and farsighted state higher education policy. We are convinced that these people and organizations will respond to the call when it is made.

Finally, we want to emphasize that the formation of Nebraskans for Higher Education is by no means intended to perpetuate or reincarnate our own commission. Our work is done. Fresh energies are required at this point. We do pledge, however, to do our utmost as individuals to assist in this and any other initiatives.

Serving on the Citizens Commission for the Study of Higher Education has been a distinct honor and a profound learning experience for which we are grateful to Governor Kerrey and our sponsors: The Peter Kiewit Foundation, the Cooper Foundation, the Woods Charitable Fund, the Edgar

Reynolds Foundation, and the Phelps County Community Foundation. We thank them for giving us the opportunity to serve our fellow Nebraskans.

Attachments

1. Goals and constraints

2. Implementation progress

BEST COPY AVAILABLE

(Excerpt from Toward the 21st Century: Report of the Citizens Commission for the Study of Higher Education in Nebraska, December, 1984, pp. 31-32)

The goals for Nebraska's system of postsecondary education which have evolved from the discussions of the Citizens Commission expand upon those set forth in the Role and Mission legislation, but they are not in conflict with the statutory goals. They exhibit the same combination of high aspirations and pragmatic realism.

The primary goal of postsecondary education in Nebraska, as developed by the Citizens Commission, is to provide opportunities for the people of this state consistent with their abilities, interests, and needs, and relevant to an ever-changing economy. Inherent in this goal is the development of an informed and productive citizenry equipped with the capacity to adjust and adapt to change. To this end, our postsecondary institutions must work together to promote excellence without extravagance. Supporting this are the following goals:

1. To provide, as part of general instruction and learning, a strong emphasis on a high quality liberal arts education.
2. To assure, at all levels, the highest possible quality of education.
3. To assure that high quality vocational training is broadly accessible and reflects local and/or regional economic needs.
4. To place new emphasis on research which contributes to the development and diversification of Nebraska's economy in this era of technological change while continuing to maintain high quality programs of both basic and applied research.
5. To maintain, through outreach and extension, a system of technology transfer and a program for improvement in the quality of life.
6. To further develop the state's postsecondary institutions as cultural centers for all citizens.
7. To utilize to the fullest the state's comprehensive system of educational telecommunications.
8. To establish a network of communication, coordination, and cooperation among the various postsecondary institutions so as to permit greater effectiveness of programs and better utilization of resources.
9. To provide increased educational and employment opportunities for minorities and women.

In the realization of their goals for postsecondary education, Nebraskans must work within two serious constraints, one demographic and the other financial. Among aspects of the demographic constraints are the following:

a. Population growth is slowing and the population is aging.

b. The primary college-age group is declining and will continue to decline through the rest of the Twentieth Century.

c. Although individual institutions will be variously affected, there will be significant declines in first-time, full-time students at the state level, followed by declines in total headcount.

d. Although "non-traditional" enrollments (primarily older students) possibly will increase, they are difficult to forecast and will need to be accommodated for the most part by innovative methods and/or institutional arrangements.

Financial constraints are reflected in the following observations:

a. Nebraska's economy is projected to grow at an average rate of 3.25% through 1995. This is slightly lower than in the 1970s; even so, this projected growth rate assumes continued diversification of the economy.

b. With the continuation of the present tax rates, increases in revenue resulting from economic growth will probably be offset by inflation.

c. Although Nebraska performs well on the basis of available resources devoted to higher education (tax effort), the state lags on the basis of support per student because of a relatively high college-going rate and a much higher than average system cost.

d. State spending for postsecondary education will face increased competition from other sectors as demands continue to exceed the availability of public funds.

e. At present tuition and fee rates, declining enrollments will bring about a decline in total institutional revenues.

f. If Nebraska is to maintain its laudably high college-going rate and at the same time increase the quality of its postsecondary institutions, more effective utilization of financial resources and greater financial support will be required. A decision to raise significantly the level of investment will be necessary if the state is to participate fully in the opportunities afforded by emerging technologies. Planning, however, for the immediate future of postsecondary education in Nebraska should proceed on the basis that for general purposes (as opposed to targeted investments in specific activities, such as research) postsecondary education probably will receive little more than the present level of support from public funds.

Put simply, the challenge facing Nebraskans is to find ways to achieve their high aspirations for their institutions of postsecondary education under conditions of slow economic growth, declining enrollments, and static or possibly declining revenues from tuition and/or state support. The challenge is a difficult one, but with effort, dedication, and cooperation it can be met. The recommendations which follow are designed to help Nebraskans meet the challenge.

CITIZENS COMMISSION FOR THE STUDY OF HIGHER EDUCATION

STATUS OF RECOMMENDATIONS

As of June 13, 1985

Recommendation	Status
ACCESS	
1. Extend access through greater cooperation	Efforts continuing between sectors and between institutions in many areas. State Colleges exploring cooperation with UNO for delivery of MBA (Trustees Resolution of April 26), as per LB 260 (in Education Committee, to carry over to 1986 Session).
2. Expand use of Educational Telecommunications Network	Usage continuing as before.
3. Appropriate funds for State Scholarship Program and SSIG match.	No progress. LB 653A (increase cigarette tax if federal tax decreased) passed. Slates prospective new cigarette tax funds for Cash Reserve Fund instead of earmarking for student aid, job training, and soil and water conservation; makes LB 190 (Nebraska Future Fund) meaningless. LB 64 (General Funds for State Scholarship Program) killed in Appropriations Committee. LB 91 (fund SSIG match) in Appropriations Committee, to carry over to 1986 Session.
QUALITY	
4. Strategic plans required as part of budget request	Existing planning and budgeting procedures remain in effect.
5. Return of unexpended balance	Existing policy continues; returns and lapses are considered on a case basis.
6. Faculty Salary Challenge Fund	No action.
7. Standards of faculty performance	Existing standards and procedures remain in force at institutions.
8. Competency expectations for enrolling students	Progress continues at U of Nebraska; entry requirements remain scheduled for 1986. None developed for State Colleges or Technical Community Colleges.
9. Liberal arts and sciences component	Emphasis being added by institutions. UNL Chancellor's Commission on General Liberal Education undertaking study of qualities that all educated persons should reflect.

10.	High quality instruction for freshmen and sophomores	UNL and UNO continuing procedures for ensuring English proficiency of TAs and staff and for ensuring quality of Lower Division instruction (May 10 UNL and UNO reports to Board of Regents).
11.	Improve teacher training programs	Efforts continuing at UNL, UNO, State Colleges and independent institutions (April 13 UNL Teachers College and UNO College of Education reports to Board of Regents).
EFFICIENCIES		
12.	Program review sector coordination and data base consolidation mechanisms	Progress halted. Drastic reduction in funding for Nebraska Coordinating Commission for Postsecondary Education threatens program review component.
13.	Creighton and UNMC cooperation	Discussions continuing at president and chancellor levels.
14.	Cooperation with other states	Greater attention being devoted to this area. LB 204 (cooperative veterinary medicine program) on Final Reading (amendment to establish evaluation procedure for cooperative proposals withdrawn). Request received from South Dakota Regents to explore reciprocal tuition.
15.	Recognition of planning constraints	Wide recognition given to economic and demographic constraints. UNMC planning to eliminate programs (Pharmacy and Lincoln nursing).
16.	(a) Pursue guidelines for state tuition policy	No further action taken by NCCPE, Legislature or governing boards.
	(b) Seek non-state funds	Efforts increasing in this area (e.g. UNL Lied Center, UNL Cooperative Veterinary Medicine College).
17.	Offer resident tuition to exceptional out-of-state students	Under consideration. LB 641 (pilot project for U of N and State Colleges) on General File, to carry over to 1986 Session.
18.	Voluntary early retirement	Under consideration. LBs 145, 311, and 706 in Retirement Committee, to carry over to 1986 Session; Committee to study this summer (LR 94).
19.	Use retirees	No action. Existing institutional policies apply.
20.	Emphasis on maintenance and repair	Progress impaired by tight budgets.

ECONOMY/QUALITY OF LIFE

21.	Research and development corporation	Some progress. Technical Assistance Center initiated at UNL (College of Engineering/State Department of Economic Development), business incubation centers underway in Omaha and Bellevue, research center planned at UNL. LB 566 (Nebraska Science and Technology Authority, part) in Government Committee, to carry over to 1986 Session; Executive Board to study research centers, etc., this summer (LR 203).
22.	U of N research policies	Some attention to providing better focus for research programs, particularly at UNMC. Progress impaired in many areas by tight budgets. No changes in institutional patent and consulting policies.
23.	Center for Educational Technology	No progress. LB 566 (Center for Educational Technology, part) in Government Committee, to carry over to 1986 Session.
24.	Mobilize and increase job training funds	No progress. LB 190 (Nebraska Future Fund) stalled on General File (see comment on No. 3).
25.	Review Extension, expand to non-agricultural areas	Routine reviews continue, no policy changes in thrust or scope contemplated.
26.	Improve quality/quantity of math and science teachers	Efforts continuing at institutional level (April 13 UNL Teachers College and UNO College of Education reports to Board of Regents).
27.	Cooperation with off-campus cultural organizations; State Museum (Morrill Hall)	Little change. Specific cuts to Morrill Hall budget rejected; LB 169 (increase funds for Morrill Hall) in Appropriations Committee, to carry over to 1986 Session.

GOVERNANCE

28.	Transfer State Colleges to Board of Regents	No progress. LR 36 CA (merge Board of Regents and Board of Trustees) in Constitutional Revision Committee, to carry over to 1986 Session.
29.	Appointive Board of Regents	Progress stalled. LR 32 CA (appointed regents for U of Nebraska) on Select File, to carry over to 1986 Session (attempt to advance to Final Reading failed in May).

30.	U of N management principles: (a) unnecessary duplication, (b) economies of scale, (c) unique role of UNL	Existing policies and procedures continue.
Note on Governance		Comprehensive review of organization of Nebraska higher education contemplated this summer under LR 224 (Joint Study of Education and Appropriations Committees). LB 695 (reorganization of all three public sectors) held in Education Committee, to carry forward to 1986 Session. LR 38CA (combine U of N, State Colleges, Community Colleges) killed by Constitutional Revision Committee.